



IOWA ADMINISTRATIVE BULLETIN

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PREFACE

The Iowa Administrative Bulletin is published biweekly pursuant to Iowa Code chapters 2B and 17A and contains Notices of Intended Action and rules adopted by state agencies.

It also contains Proclamations and Executive Orders of the Governor which are general and permanent in nature; Regulatory Analyses; effective date delays and objections filed by the Administrative Rules Review Committee; Agenda for monthly Administrative Rules Review Committee meetings; and other materials deemed fitting and proper by the Administrative Rules Review Committee.

The Bulletin may also contain public funds interest rates [12C.6]; usury rates [535.2(3)“a”]; agricultural credit corporation maximum loan rates [535.12]; and other items required by statute to be published in the Bulletin.

PLEASE NOTE: Underscore indicates new material added to existing rules; ~~strike-through~~ indicates deleted material.

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CITATION of Administrative Rules

The Iowa Administrative Code shall be cited as (agency identification number) IAC (chapter, rule, subrule, paragraph, subparagraph, or numbered paragraph).

This citation format applies only to external citations to the Iowa Administrative Code or Iowa Administrative Bulletin and does not apply to citations within the Iowa Administrative Code or Iowa Administrative Bulletin.

441 IAC 79	(Chapter)
441 IAC 79.1	(Rule)
441 IAC 79.1(1)	(Subrule)
441 IAC 79.1(1)“a”	(Paragraph)
441 IAC 79.1(1)“a”(1)	(Subparagraph)
441 IAC 79.1(1)“a”(1)“1”	(Numbered paragraph)

The Iowa Administrative Bulletin shall be cited as IAB (volume), (number), (publication date), (page number), (ARC number).

IAB Vol. XII, No. 23 (5/16/90) p. 2050, ARC 872A

NOTE: In accordance with Iowa Code section 2B.5A, a rule number within the Iowa Administrative Code includes a reference to the statute which the rule is intended to implement: 441—79.1(249A).

Schedule for Rule Making 2022

NOTICE† SUBMISSION DEADLINE	NOTICE PUB. DATE	HEARING OR COMMENTS 20 DAYS	FIRST POSSIBLE ADOPTION DATE 35 DAYS	ADOPTED FILING DEADLINE	ADOPTED PUB. DATE	FIRST POSSIBLE EFFECTIVE DATE	POSSIBLE EXPIRATION OF NOTICE 180 DAYS
Dec. 22 '21	Jan. 12 '22	Feb. 1 '22	Feb. 16 '22	Feb. 18 '22	Mar. 9 '22	Apr. 13 '22	July 11 '22
Jan. 5	Jan. 26	Feb. 15	Mar. 2	Mar. 4	Mar. 23	Apr. 27	July 25
Jan. 21	Feb. 9	Mar. 1	Mar. 16	Mar. 18	Apr. 6	May 11	Aug. 8
Feb. 4	Feb. 23	Mar. 15	Mar. 30	Apr. 1	Apr. 20	May 25	Aug. 22
Feb. 18	Mar. 9	Mar. 29	Apr. 13	Apr. 15	May 4	June 8	Sep. 5
Mar. 4	Mar. 23	Apr. 12	Apr. 27	Apr. 29	May 18	June 22	Sep. 19
Mar. 18	Apr. 6	Apr. 26	May 11	**May 11**	June 1	July 6	Oct. 3
Apr. 1	Apr. 20	May 10	May 25	May 27	June 15	July 20	Oct. 17
Apr. 15	May 4	May 24	June 8	June 10	June 29	Aug. 3	Oct. 31
Apr. 29	May 18	June 7	June 22	**June 22**	July 13	Aug. 17	Nov. 14
May 11	June 1	June 21	July 6	July 8	July 27	Aug. 31	Nov. 28
May 27	June 15	July 5	July 20	July 22	Aug. 10	Sep. 14	Dec. 12
June 10	June 29	July 19	Aug. 3	Aug. 5	Aug. 24	Sep. 28	Dec. 26
June 22	July 13	Aug. 2	Aug. 17	**Aug. 17**	Sep. 7	Oct. 12	Jan. 9 '23
July 8	July 27	Aug. 16	Aug. 31	Sep. 2	Sep. 21	Oct. 26	Jan. 23 '23
July 22	Aug. 10	Aug. 30	Sep. 14	Sep. 16	Oct. 5	Nov. 9	Feb. 6 '23
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Sep. 2	Sep. 21	Oct. 11	Oct. 26	**Oct. 26**	Nov. 16	Dec. 21	Mar. 20 '23
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Dec. 7	Dec. 28	Jan. 17 '23	Feb. 1 '23	Feb. 3 '23	Feb. 22 '23	Mar. 29 '23	June 26 '23
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PRINTING SCHEDULE FOR IAB

<u>ISSUE NUMBER</u>	<u>SUBMISSION DEADLINE</u>	<u>ISSUE DATE</u>
20	Friday, March 18, 2022	April 6, 2022
21	Friday, April 1, 2022	April 20, 2022
22	Friday, April 15, 2022	May 4, 2022

PLEASE NOTE:

Rules will not be accepted by the Publications Editing Office after **12 o'clock noon** on the filing deadline unless prior approval has been received from the Administrative Rules Coordinator and the Administrative Code Editor.

If the filing deadline falls on a legal holiday, submissions made on the following Monday will be accepted.

†To allow time for review by the Administrative Rules Coordinator prior to the Notice submission deadline, Notices should generally be submitted in RMS four or more working days in advance of the deadline.

****Note change of filing deadline****

EDUCATIONAL EXAMINERS BOARD[282]

Paraeducator substitute authorization, 24.4(9) IAB 3/9/22 ARC 6228C (See also ARC 6229C)	Board Room 701 E. Court Ave., Suite A Des Moines, Iowa	March 29, 2022 11 a.m. to 12 noon (If requested)
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NURSING BOARD[655]

Telehealth—standards of practice for registered nurses and licensed practical nurses, 6.1, 6.4 IAB 2/23/22 ARC 6208C	Board Office, Suite B 400 S.W. Eighth St. Des Moines, Iowa	March 15, 2022 9 to 10 a.m.
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Telehealth—standards of practice for advanced registered nurse practitioners, 7.1, 7.9 IAB 2/23/22 ARC 6205C	Board Office, Suite B 400 S.W. Eighth St. Des Moines, Iowa	March 15, 2022 10 to 11 a.m.
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Commercial driver licensing; adoption by reference of federal regulations, 520.1(1), 529.1, 605.25(8)“a,” 607.10(1)“d,” 607.16(2), 607.31 IAB 2/23/22 ARC 6207C	Via conference call Contact Tracy George Email: tracy.george@iowadot.us	March 17, 2022 1 p.m. (If requested)
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Emergency contact information, 601.3, 630.2(2) IAB 2/23/22 ARC 6200C	Via conference call Contact Tracy George Email: tracy.george@iowadot.us	March 17, 2022 10 a.m. (If requested)
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The following list will be updated as changes occur.

“Umbrella” agencies and elected officials are set out below at the left-hand margin in CAPITAL letters.

Divisions (boards, commissions, etc.) are indented and set out in lowercase type under their statutory “umbrellas.”

Other autonomous agencies are included alphabetically in SMALL CAPITALS at the left-hand margin.

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ARC 6235C

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21]

Notice of Intended Action

**Proposing rule making related to testing imported poultry
and providing an opportunity for public comment**

The Agriculture and Land Stewardship Department hereby proposes to amend Chapter 65, “Animal and Livestock Importation,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 163.1.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 163.1.

Purpose and Summary

Currently, the Department relies on National Poultry Improvement Plan (NPIP) testing standards to control certain poultry diseases to protect flocks in the state.

This proposed rule making allows the Department to recognize other programs that are equivalent to the NPIP as meeting the Pullorum-Typhoid and Mycoplasma gallisepticum testing requirements for international imports.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 21—Chapter 8.

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on March 29, 2022. Comments should be directed to:

Colin Tadlock
Iowa Department of Agriculture and Land Stewardship
Wallace State Office Building
502 East 9th Street
Des Moines, Iowa 50319
Phone: 515.281.7808
Email: colin.tadlock@iowaagriculture.gov

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21](cont'd)

subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend subrule 65.11(3) as follows:

65.11(3) Testing.

a. Pullorum-typhoid test.

(1) An official negative test for pullorum-typhoid is required within 30 days of importation for domestic fowl or live poultry or for the flock from which hatching eggs originate unless exempted pursuant to 65.11(3) "a"(2).

(2) Exemptions to the test requirements. No test is required for the following:

1. Imported domestic fowl, live poultry or hatching eggs originating from flocks classified under provisions of the NPIP, or an equivalent program as determined by the department, as pullorum-typhoid clean.

2. Exotic birds or other pet birds.

3. Poultry consigned directly to a recognized slaughter establishment.

b. Mycoplasma gallisepticum test—turkeys. Live turkeys or turkey hatching eggs for importation must originate from a flock that has been tested annually and can be classified as U.S. mycoplasma gallisepticum clean as provided by the NPIP or an equivalent program as determined by the department. Turkeys consigned directly to a recognized slaughter establishment are not affected by this subrule.

ARC 6228C

EDUCATIONAL EXAMINERS BOARD[282]

Notice of Intended Action

**Proposing rule making related to paraeducator substitute authorization
and providing an opportunity for public comment**

The Educational Examiners Board hereby proposes to amend Chapter 24, "Paraeducator Certificates," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 272.2.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 272.2.

Purpose and Summary

This proposed amendment will allow the Director of the Board to grant permission for a paraeducator to serve as a substitute teacher outside of the paraeducator's assigned special education classroom based on documented need.

EDUCATIONAL EXAMINERS BOARD[282](cont'd)

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Board for a waiver of the discretionary provisions, if any, pursuant to 282—Chapter 6.

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Board no later than 4:30 p.m. on March 29, 2022. Comments should be directed to:

Kimberly Cunningham
Board of Educational Examiners
701 East Court Avenue, Suite A
Des Moines, Iowa 50319-0147
Fax: 515.281.7669
Email: kim.cunningham@iowa.gov

Public Hearing

If requested, a public hearing at which persons may present their views orally or in writing will be held as follows:

March 29, 2022
11 a.m. to 12 noon

Board Room
701 East Court Avenue, Suite A
Des Moines, Iowa

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Board and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Emergency Rule Making Adopted by Reference

This proposed rule making is also published herein as an Adopted and Filed Emergency rule making (see **ARC 6229C**, IAB 3/9/22). The purpose of this Notice of Intended Action is to solicit public comment on that emergency rule making, whose subject matter is hereby adopted by reference.

ARC 6232C**HUMAN SERVICES DEPARTMENT[441]****Notice of Intended Action****Proposing rule making related to mental health institutes and resource centers and providing an opportunity for public comment**

The Human Services Department hereby proposes to amend Chapter 28, “Policies for Mental Health Institutes and Resource Centers,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code sections 218.4 and 222.6.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 218.4 and 222.6.

Purpose and Summary

The Department proposes to update rules in Chapter 28 to align with current practices and eliminate outdated terminology. This is part of the Department’s five-year rules review process required under Iowa Code section 17A.7(2).

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on March 29, 2022. Comments should be directed to:

Nancy Freudenberg
Department of Human Services
Hoover State Office Building, Fifth Floor
1305 East Walnut Street
Des Moines, Iowa 50319-0114
Email: appeals@dhs.state.ia.us

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

HUMAN SERVICES DEPARTMENT[441](cont'd)

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend rule **441—28.1(218)**, definitions of “Catchment area,” “Informed consent” and “Superintendent,” as follows:

“*Catchment area*” means the group of counties, designated by the division administrator, that each ~~mental health institute or state resource center~~ is assigned to serve.

“*Informed consent*” means an agreement by an individual or by the individual’s parent, guardian, or legal representative to participate in an activity based upon an understanding of all of the following:

1. A full explanation of the procedures to be followed, including an identification of those that are experimental.
2. A description of the ~~attendant~~ discomforts and risks.
3. A description of the benefits to be expected.
4. A disclosure of appropriate alternative procedures that would be advantageous for the individual.
5. Assurance that consent is given freely and voluntarily without fear of retribution or withdrawal of services.

“*Superintendent*” means the superintendent of any of the ~~four~~ two mental health institutes and the two state resource centers.

ITEM 2. Rescind the definitions of “Central point of coordination process,” “Family contact” and “Official designated agent” in rule **441—28.1(218)**.

ITEM 3. Amend rule 441—28.2(218,222) as follows:

441—28.2(218,222) Selection of facility. Application for voluntary admission to a resource center shall be made to the facility in the catchment area within which the individual for whom admission is sought has a county of residence. The individual may be admitted to a state resource center in another catchment area if that facility has a more suitable opening.

~~**28.2(1)** Application for voluntary admission to a state mental health institute or resource center shall be made to the facility in the catchment area, as defined in rule 441—29.1(218) or 441—30.1(218,222), within which the individual for whom admission is sought has a county of residence.~~

~~**28.2(2)** Court commitment of an individual shall be made:~~

~~*a.*—To the facility in the catchment area, as defined in rule 441—29.1(218) or 441—30.1(218,222), within which the individual who is being committed has a county of residence; or~~

~~*b.*—As designated by the division administrator.~~

~~**28.2(3)** The division administrator shall consider granting exceptions to the established catchment areas when requested by the individual seeking a voluntary admission or by the committing court. The division administrator’s decision shall be made within 48 hours of receipt of the request. The decision shall be based on:~~

~~*a.*—The clinical needs of the individual;~~

~~*b.*—The availability of appropriate program services;~~

~~*c.*—Available bed space within the program at the requested facility; and~~

~~*d.*—The consent of the superintendents of both facilities involved.~~

~~This rule is intended to implement Iowa Code sections 218.19, and 218.20, and 222.6.~~

ITEM 4. Adopt the following **new** implementation sentence in rule **441—28.7(218)**:

This rule is intended to implement Iowa Code chapter 218.

ARC 6234C**HUMAN SERVICES DEPARTMENT[441]****Notice of Intended Action****Proposing rule making related to nurse aide program training and providing an opportunity for public comment**

The Human Services Department hereby proposes to amend Chapter 81, "Nursing Facilities," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code chapter 249A.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 249A.

Purpose and Summary

The proposed rule making updates subrule 81.16(3) to reflect federal regulations regarding the increased number of hours of training required for nurse aide programs. The proposed increase of the instructor-to-student ratio will allow more students to attend nurse aide programs. Additional language is being added for laboratory training and clinical training options.

Fiscal Impact

The Department currently does not pay for certified nursing assistant (CNA) training but allows for a deduction on the cost reports. The number of future additional students cannot be determined; however, fiscal impact is expected to be minimal. Any expenditures will be absorbed within the Medical Assistance appropriation.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on March 29, 2022. Comments should be directed to:

Nancy Freudenberg
Department of Human Services
Hoover State Office Building, Fifth Floor
1305 East Walnut Street
Des Moines, Iowa 50319-0114
Email: appeals@dhs.state.ia.us

HUMAN SERVICES DEPARTMENT[441](cont'd)

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend subparagraph **81.16(3)“a”(4)** as follows:

(4) Include at least ~~15~~ 16 hours of laboratory experience provided in a face-to-face environment that complements the didactic theory curricula, and

ITEM 2. Amend subparagraph **81.16(3)“a”(5)** as follows:

(5) Include 30 hours of supervised clinical training in a face-to-face or laboratory setting environment and supervised by a department of inspections and appeals-approved instructor in a manner not inconsistent with the licensing requirements of the Iowa board of nursing, and

ITEM 3. Amend subparagraph **81.16(3)“a”(7)** as follows:

(7) Meet the following requirements for department of inspections and appeals-approved instructors who train nurse aides:

1. to 4. No change.

5. The ratio of department of inspections and appeals-approved instructors to students shall not exceed one registered nurse, or licensed practical nurse functioning as an assistant to a registered nurse, who is in the proximate area in the clinical setting, for every ~~ten~~ 15 students in the clinical setting, and

ARC 6239C

NATURAL RESOURCE COMMISSION[571]

Notice of Intended Action

**Proposing rule making related to deer hunting
and providing an opportunity for public comment**

The Natural Resource Commission (Commission) hereby proposes to amend Chapter 94, “Nonresident Deer Hunting,” and Chapter 106, “Deer Hunting by Residents,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code sections 455A.5(6)“a,” 481A.39 and 481A.48.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 481A.38, 481A.39 and 481A.48.

NATURAL RESOURCE COMMISSION[571](cont'd)

Purpose and Summary

Chapters 94 and 106 govern deer hunting by nonresidents and residents in the state of Iowa. Collectively, these chapters regulate deer hunting and set forth season dates, bag limits, possession limits, shooting hours, areas open to hunting, licensing procedures, means and methods of take, and transportation and reporting requirements.

This rule making proposes one amendment to Chapter 94 and three amendments to Chapter 106. First, license requirements for nonresident hunters under the age of 16 are clarified in Chapter 94 by directly citing Iowa Code section 483A.24(8). This statute allows persons under the age of 16 to have only a nonresident deer hunting license for deer hunting. Other nonresidents must purchase a deer hunting license along with a general hunting license and pay the wildlife habitat fee. Second, Monroe County is added to Chapter 106's list of counties eligible for a January antlerless-deer-only season. Third, antlerless-deer-only county quotas are modified to increase harvest in central and southern Iowa, where the wild herd is above population goals. Conversely, quotas are modified for far western Iowa to decrease harvest where populations are below goals and hunter effort is waning. Lastly, centerfire rifles .240 and .350 are added to the list of approved rifles for the January antlerless-deer-only season.

Fiscal Impact

This rule making has no negative fiscal impact to the State of Iowa. A copy of the fiscal impact statement is available from the Department of Natural Resources (Department) upon request.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found. A copy of the jobs impact statement is available from the Department upon request.

Waivers

This rule is subject to the waiver provisions of 571—Chapter 11. Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any.

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on March 29, 2022. Comments should be directed to:

Tyler Harms
Iowa Department of Natural Resources
Wallace State Office Building
502 East Ninth Street
Des Moines, Iowa 50319
Email: tyler.harms@dnr.iowa.gov

Public Hearing

A public hearing at which persons may present their views orally will be held via conference call as follows. Persons who wish to attend the conference call should contact Chris Ensminger, wildlife research supervisor, via email at chris.ensminger@dnr.iowa.gov. A conference call number will be provided prior to the hearing. Persons who wish to make oral comments at the conference call public hearing must submit a request to Mr. Ensminger prior to the hearing to facilitate an orderly hearing.

March 29, 2022
12 noon to 1 p.m.

Video/conference call

NATURAL RESOURCE COMMISSION[571](cont'd)

Persons who wish to make oral comments at the public hearing will be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the hearing and have special requirements, such as those related to hearing impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend rule 571—94.1(483A), introductory paragraph, as follows:

571—94.1(483A) Licenses. Every hunter, except as authorized by Iowa Code section 483A.24(8), must have in possession a valid nonresident deer license, a valid nonresident hunting license, and proof that the hunter has paid the current year's wildlife habitat fee when hunting, possessing, or transporting deer. No person, while hunting deer, shall carry or have in possession any license or transportation tag issued to another person. No one who is issued a deer hunting license and transportation tag shall allow another person to use or possess that license or transportation tag while deer hunting or tagging a deer.

ITEM 2. Amend subrule 106.1(6) as follows:

106.1(6) January antlerless-deer-only licenses. Licenses for the January antlerless-deer-only season may be issued for the following counties: Allamakee, Appanoose, Decatur, Monroe, Wayne, and Winneshiek. January antlerless-deer-only licenses shall be issued for a county only when a minimum of 100 antlerless-deer-only licenses, as described in subrule 106.6(6), remain unsold in that county as of the third Monday in December. If 100 or more antlerless-deer-only licenses remain unsold for a given county as of the third Monday in December, those remaining antlerless-deer-only licenses shall be made available for the January antlerless-deer-only season in that county until the relevant antlerless-deer-only quota as described in subrule 106.6(6) is met.

ITEM 3. Amend subrule 106.6(6) as follows:

106.6(6) Antlerless-deer-only licenses. Paid antlerless-deer-only licenses will be available by county as follows:

County	Quota	County	Quota	County	Quota
Adair	1200	Floyd	150	Monona	750 <u>500</u>
Adams	1000	Franklin	0	Monroe	2250 <u>2500</u>
Allamakee	3800	Fremont	400 <u>0</u>	Montgomery	500
Appanoose	2700	Greene	0 <u>100</u>	Muscatine	900
Audubon	0	Grundy	0	O'Brien	0
Benton	325	Guthrie	2150 <u>2350</u>	Osceola	0
Black Hawk	0	Hamilton	0	Page	500 <u>300</u>
Boone	300 <u>400</u>	Hancock	0	Palo Alto	0
Bremer	300	Hardin	0	Plymouth	0
Buchanan	400	Harrison	750 <u>500</u>	Pocahontas	0
Buena Vista	0	Henry	1050	Polk	1350
Butler	200	Howard	450	Pottawattamie	750 <u>500</u>
Calhoun	0	Humboldt	0	Poweshiek	200
Carroll	0	Ida	0	Ringgold	1400 <u>1600</u>

NATURAL RESOURCE COMMISSION[571](cont'd)

County	Quota	County	Quota	County	Quota
Cass	400 <u>300</u>	Iowa	450	Sac	0
Cedar	775	Jackson	1100	Scott	200
Cerro Gordo	0	Jasper	575 <u>400</u>	Shelby	0
Cherokee	0	Jefferson	1500	Sioux	0
Chickasaw	375	Johnson	950	Story	150
Clarke	2400	Jones	1100	Tama	300
Clay	0	Keokuk	500	Taylor	1500
Clayton	4000	Kossuth	0	Union	1400
Clinton	400	Lee	1700	Van Buren	2100 <u>2300</u>
Crawford	0	Linn	850	Wapello	1600
Dallas	2100	Louisa	775	Warren	3000
Davis	1700 <u>1900</u>	Lucas	2500	Washington	1000
Decatur	2200 <u>2400</u>	Lyon	0	Wayne	2700
Delaware	950	Madison	3300	Webster	0
Des Moines	900	Mahaska	475	Winnebago	0
Dickinson	0	Marion	2050	Winneshiek	2700
Dubuque	1200	Marshall	150	Woodbury	200 <u>0</u>
Emmet	0	Mills	300 <u>150</u>	Worth	0
Fayette	2500	Mitchell	100	Wright	0

ITEM 4. Amend subrule 106.7(5) as follows:

106.7(5) January antlerless-deer-only season. Bows, crossbows, shotguns, muzzleloaders, rifles (including centerfire rifles .240 to .350), and handguns, as each is described in this rule, may be used during the January antlerless-deer-only season.

ARC 6233C

PUBLIC HEALTH DEPARTMENT[641]

Notice of Intended Action

**Proposing rule making related to journeyperson examination
and providing an opportunity for public comment**

The Plumbing and Mechanical Systems Board hereby proposes to amend Chapter 29, “Plumbing and Mechanical Systems Board—Application, Licensure, and Examination,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code sections 105.4, 105.20, and 272C.2.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapters 17A, 105, and 272C.

Purpose and Summary

The proposed amendment adds greater flexibility for applicants seeking to take their journeyperson examination by allowing them to take the examination 12 months prior to completing their required apprenticeship credits. The current rule allows applicants to take the examination six months prior to completion of the apprenticeship.

PUBLIC HEALTH DEPARTMENT[641](cont'd)

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Board for a waiver of the discretionary provisions, if any, pursuant to the Board's general waiver provisions contained in 641—Chapter 31.

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Board no later than 4:30 p.m. on March 29, 2022. Comments should be directed to:

Kane Young
Executive Officer
Plumbing and Mechanical Systems Board
Lucas State Office Building
321 East 12th Street
Des Moines, Iowa 50319
Email: kane.young@idph.iowa.gov

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend paragraph **29.6(3)“1”** as follows:

l. A journeyperson examination applicant may apply to sit for the examination up to ~~6~~ 12 months prior to completion of the 48 months of required apprentice credit, which shall include the granting of advanced standing or credit for previously acquired experience, training, or skills.

ARC 6238C**SECRETARY OF STATE[721]****Notice of Intended Action****Proposing rule making related to use of I-Voters at satellite absentee voting stations
and providing an opportunity for public comment**

The Secretary of State hereby proposes to amend Chapter 21, "Election Forms and Instructions," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code sections 17A.4, 53.1 and 53.11.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 53.11.

Purpose and Summary

This proposed rule making removes the option for counties to apply to the Office of the Secretary of State to use the statewide voter registration database and election management system (I-Voters) at satellite absentee voting stations. The elimination of this option helps move the State of Iowa further down the path of cyber maturity as it relates to elections.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Secretary of State for a waiver of the discretionary provisions, if any, pursuant to 721—Chapter 10.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Secretary of State no later than 4:30 p.m. on March 29, 2022. Comments should be directed to:

Molly Widen
Office of the Secretary of the State
Lucas State Office Building, First Floor
321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.281.5864
Email: molly.widen@sos.iowa.gov

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)"b," an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental

SECRETARY OF STATE[721](cont'd)

subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Rescind subrule 21.300(13) and adopt the following **new** subrule in lieu thereof:

21.300(13) Use of I-Voters at satellite absentee voting stations.

a. The statewide voter registration database (I-Voters) shall not be used or accessed at a satellite absentee voting station.

b. This rule does not prevent the use of an electronic poll book to process voters at a satellite absentee voting station if the electronic poll book does not connect to or access the statewide voter registration database (I-Voters).

ARC 6221C

WORKERS' COMPENSATION DIVISION[876]

Notice of Intended Action

**Proposing rule making related to payroll tax tables
and providing an opportunity for public comment**

The Workers' Compensation Commissioner hereby proposes to amend Chapter 8, "Substantive and Interpretive Rules," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 86.8.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 85.61.

Purpose and Summary

The purpose of this proposed rule making is to update references to the tables that determine payroll taxes.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

This amendment does not include a waiver provision because rule 876—12.4(17A) provides the specific situations for waiver of Workers' Compensation Division rules.

WORKERS' COMPENSATION DIVISION[876](cont'd)

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Commissioner no later than 4:30 p.m. on March 29, 2022. Comments should be directed to:

Heather Palmer
Division of Workers' Compensation
150 Des Moines Street
Des Moines, Iowa 50309
Email: heather.palmer@iwd.iowa.gov

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend rule 876—8.8(85,17A) as follows:

876—8.8(85,17A) Payroll tax tables. Tables for determining payroll taxes to be used for the period July 1, ~~2021~~ 2022, through June 30, ~~2022~~ 2023, are the tables in effect on July 1, ~~2021~~ 2022, for computation of:

1. Federal income tax withholding according to the percentage method of withholding for weekly payroll period. (Federal Income Tax Withholding Methods, Publication 15-T [2021].)
2. Iowa individual income tax withholding formula. (Iowa Department of Revenue [Effective January 1, ~~2021~~ 2022].)
3. Social Security and Medicare withholding (FICA) at the rate of 7.65 percent. (Internal Revenue Service, Circular E, Employer's Tax Guide, Publication 15 [~~2020~~ 2021].)

This rule is intended to implement Iowa Code section 85.61(6).

ARC 6229C**EDUCATIONAL EXAMINERS BOARD[282]****Adopted and Filed Emergency****Rule making related to paraeducator substitute authorization**

The Educational Examiners Board hereby amends Chapter 24, “Paraeducator Certificates,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 272.2.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 272.2.

Purpose and Summary

This amendment will allow the Director of the Board to grant permission for a paraeducator to serve as a substitute teacher outside of the paraeducator’s assigned special education classroom based on documented need.

*Reason for Adoption of Rule Making Without
Prior Notice and Opportunity for Public Participation*

Pursuant to Iowa Code section 17A.4(3), the Board finds that notice and public participation are unnecessary or impractical because emergency adoption was approved by the Administrative Rules Review Committee. This emergency adoption also provides a benefit, since it will have a positive impact on schools that are currently utilizing paraeducators in this manner under the public emergency proclamation.

In compliance with Iowa Code section 17A.4(3)“a,” the Administrative Rules Review Committee at its February 15, 2022, meeting reviewed the Board’s determination and this rule making and approved the emergency adoption.

Reason for Waiver of Normal Effective Date

Pursuant to Iowa Code section 17A.5(2)“b”(1)(b), the Board also finds that the normal effective date of this rule making, 35 days after publication, should be waived and the rule making made effective on February 16, 2022, because the Governor’s Emergency Proclamation expires and the new rule confers a benefit, since it will have a positive impact on schools that are currently utilizing paraeducators in this manner under the public emergency proclamation.

Adoption of Rule Making

This rule making was adopted by the Board on February 14, 2022. This rule making was adopted by the Board to be effective upon the expiration of the Governor’s Emergency Proclamation on February 16, 2022, and after approval of the Administrative Rules Review Committee.

Concurrent Publication of Notice of Intended Action

In addition to its adoption on an emergency basis, this rule making has been initiated through the normal rule-making process and is published herein under Notice of Intended Action as **ARC 6228C** to allow for public comment.

EDUCATIONAL EXAMINERS BOARD[282](cont'd)

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Board for a waiver of the discretionary provisions, if any, pursuant to 282—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making became effective on February 16, 2022.

The following rule-making action is adopted:

Amend subrule 24.4(9) as follows:

24.4(9) *Paraeducator substitute authorization.* An individual who holds a paraeducator certificate and completes the substitute authorization requirements set forth in rule 282—22.2(272) but who does not meet the degree requirement in 282—subparagraph 22.2(1)“a”(2) is authorized to substitute only in the special education classroom in which the individual paraeducator is employed, unless emergency permission is granted by the executive director or designee based on documented need provided by the employer.

[Filed Emergency 2/15/22, effective 2/16/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6236C**ADMINISTRATIVE SERVICES DEPARTMENT[11]****Adopted and Filed****Rule making related to out-of-state travel approval**

The Administrative Services Department hereby amends Chapter 41, "Auditing Claims," and Chapter 64, "Benefits," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 8A.104, 17A.3 and 17A.4.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 8A.512A(2)"a" as amended by 2021 Iowa Acts, Senate File 314.

Purpose and Summary

These amendments comport with 2021 Iowa Acts, Senate File 314. This legislation amended Iowa Code section 8A.512A(2)"a," which pertains to out-of-state travel for state employees, by allowing an agency director's designated representative to approve an electronic travel authorization form. This option allows for more efficiency in state government.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on October 20, 2021, as **ARC 5981C**. A public hearing was held on November 10, 2021, at 11 a.m. in the Procurement Conference Room, A Level, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa. No one attended the public hearing. No public comments were received.

Two changes from the Notice have been made. Item 5 has been updated to amend paragraph 41.7(8)"a" by striking the words "and of the director of the department of management" because of a policy change in the Department of Management. Item 6 has been updated to remove the reference to 2021 Iowa Acts, Senate File 314, since the amendments in the legislation have been codified.

Adoption of Rule Making

This rule making was adopted by the Department on February 16, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

The Department will not grant waivers under the provisions of these rules, other than as may be allowed under Chapter 9 of the Department's rules concerning waivers.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or

ADMINISTRATIVE SERVICES DEPARTMENT[11](cont'd)

group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making actions are adopted:

ITEM 1. Amend rule 11—41.4(8A) as follows:

11—41.4(8A) Authorization for travel.

41.4(1) *Approval by administrative head of the agency.* All official travel shall be authorized by the administrative head of the agency or the designated representative, prior to the travel whenever possible.

41.4(2) *Out of state.* Official travel out of the state for any executive branch employee must receive prior electronic authorization on the Travel Department Authorization form from the administrative head of the agency or the designated representative.

41.4(3) *Requests for out-of-state travel.* All requests for out-of-state travel shall be on a form approved by the administrative head of the agency and shall include information required by Iowa Code section 8A.512A.

41.4(4) *Most economical or advantageous mode of travel.* Reimbursement for transportation approved by the administrative head of the agency or the designated representative shall be for the most economical or advantageous mode and by the usually traveled route.

ITEM 2. Amend subrule 41.5(1) as follows:

41.5(1) *Airline travel accommodations.* When the administrative head of the agency or the designated representative determines that airline travel is the most economical or advantageous to the state, the use of airline travel may be authorized. The most economical mode of airline travel is considered to be coach or economy class, if available.

ITEM 3. Amend paragraph **41.5(4)“b”** as follows:

b. Out of state. If the traveler desires to use a personally owned vehicle instead of common carrier and it is authorized by the administrative head of the agency or the designated representative, the cost of mileage (not to exceed airfare) to the destination's nearest air terminal, plus expenses incurred to final destination and subsistence allowance en route will be allowed. Out-of-state subsistence allowance will be allowed only for the number of meals and nights lodging which would have been necessary had the traveler used the available public transportation to destination instead of a private vehicle. Taxi or mileage expenses will be allowed at the destination if the expenses are incurred while the traveler is on official business.

If two or more travelers on official business travel in one privately owned vehicle instead of common carrier, the use of one vehicle may be authorized on a mileage basis not to exceed the statutory limit per mile.

ITEM 4. Amend subrule 41.5(6) as follows:

41.5(6) *Assignment of more than one employee to a vehicle.* In authorizing the use of privately owned or state-owned vehicles, the ~~agency head~~ administrative head of the agency or the designated representative shall, whenever possible, assign more than one employee to the use of one vehicle.

ITEM 5. Amend subrule 41.7(8) as follows:

41.7(8) *Registration fees.* The payment of registration fees which are required for participation in meetings shall be allowed. Registration fees shall be supported by the official receipt of the conference or convention subject to the following limitations:

a. Expenditures for payment of registration fees for the purpose of obtaining the privileges of membership or other personal benefits from an organization are not reimbursable. Memberships in organizations must be in the name of the state agency and have approval of the director of the department

ADMINISTRATIVE SERVICES DEPARTMENT[11](cont'd)

or designated representative requesting the membership ~~and of the director of the department of management~~ and shall be published to the Iowa transparency Internet site established by Iowa Code section 8G.4.

b. and c. No change.

ITEM 6. Amend paragraph **64.10(2)“c”** as follows:

c. If attendance is outside the state of Iowa, travel must be authorized ~~by the head of the employee’s department~~ pursuant to Iowa Code section 8A.512A(2)“a.”

[Filed 2/17/22, effective 4/13/22]

[Published 3/9/22]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6231C

ATTORNEY GENERAL[61]

Adopted and Filed

Rule making related to assurance of voluntary compliance

The Attorney General hereby adopts Chapter 38, “Assurance of Voluntary Compliance,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 714.16.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 714.16(7).

Purpose and Summary

The purpose of this rule making is to facilitate the resolution of investigations of violations of the Iowa Consumer Fraud Act (the Act), Iowa Code section 714.16, without instituting a civil action or proceeding pursuant to Iowa Code section 714.16(7). This rule making formalizes the practice of accepting an assurance of voluntary compliance from the target of an investigation in lieu of filing a civil action and consent judgment. This rule making further states that all remedies available under the Act may be agreed to as part of an assurance, that entering into an assurance shall not be considered an admission of a violation of the Act, and that violation of an assurance shall be treated as a violation of Iowa Code section 714.16.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on January 12, 2022, as **ARC 6145C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Attorney General on February 16, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

ATTORNEY GENERAL[61](cont'd)

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Attorney General for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making action is adopted:

Adopt the following **new** 61—Chapter 38:

CHAPTER 38
ASSURANCE OF VOLUNTARY COMPLIANCE

61—38.1(714) Assurance of voluntary compliance. In any case where the attorney general has authority to institute a civil action or proceeding pursuant to Iowa Code section 714.16(7), in lieu thereof, the attorney general may accept an assurance of voluntary compliance with respect to any method, act or practice deemed to be in violation of the Iowa consumer fraud Act from any person who has engaged in, is engaging in, or was about to engage in such method, act or practice. Such assurance may, among other terms, include a stipulation for the voluntary payment by such person of the costs of investigation, the voluntary payment of a civil penalty, or an amount to be held in escrow pending the outcome of an action or as restitution to aggrieved consumers, or both. Matters thus closed may at any time be reopened by the attorney general for further proceedings in the public interest.

An assurance entered into pursuant to this rule shall not be considered an admission of a violation, provided that violation of such an assurance shall be treated as a violation of Iowa Code section 714.16, and shall be subjected to all the penalties and remedies provided therefor. A finding by a court that a violation of such assurance of voluntary compliance has occurred shall establish a prima facie case that the person subject thereto knows, or in the exercise of due care should know, that the person has in the past violated or is intentionally violating the provisions of this chapter.

This rule is intended to implement Iowa Code section 714.16(7).

[Filed 2/16/22, effective 4/13/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6241C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rule making related to Iowa community development block grant program

The Economic Development Authority hereby amends Chapter 23, “Iowa Community Development Block Grant Program,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 15.106A.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 15.108.

Purpose and Summary

The Authority administers the federal Community Development Block Grant (CDBG) program in all of Iowa’s incorporated cities and counties, except those designated as U.S. Department of Housing and Urban Development (HUD) entitlement areas. Authorized under the Housing and Community Development Act, the main goal of the CDBG program is to “develop viable communities by providing decent housing and suitable living environments and expanding economic opportunities, principally for persons of low and moderate incomes.” All projects must meet the national objectives as defined by HUD.

These amendments update the rules to be consistent with current administration of the CDBG program and remove references to specific funds associated with the program. The changes also accommodate a HUD recommendation to minimize administrative rules for the program in order to avoid conflict with HUD regulations and policies. State program policies are required to be outlined in the State’s annual action plan submitted to HUD. The plan is updated annually in conjunction with a public input process.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on January 12, 2022, as **ARC 6139C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Authority Board on February 18, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making actions are adopted:

ITEM 1. Amend rule 261—23.2(15) as follows:

261—23.2(15) Definitions. When used in this chapter, unless the context otherwise requires:

~~“Activity” means one or more specific activities, projects or programs assisted with CDBG funds.~~

~~“Adaptive reuse” means conversion of an existing building or structure from nonresidential use to residential use.~~

~~“Annual action plan” means the annual plan required and approved by the U.S. Department of Housing and Urban Development that outlines the state’s processes and procedures for distribution of CDBG funds. The annual action plan is an annual update to the state’s CDBG consolidated plan. The federal requirements for an annual action plan can be found at http://www.hud.gov/offices/cpd/about/conplan/toolsandguidance/guidance/state_guidelines.pdf. The annual action plan can be found is available on the authority’s CDBG Web site website.~~

~~“Annual allocation” means the annual amount HUD allocates to the state of Iowa for CDBG activities.~~

~~“Authority” means the economic development authority created in Iowa Code section 15.105.~~

~~“Authority’s website” means the information and related content found at www.iowaeda.com and may include integrated content at affiliate sites.~~

~~“Career link” means a program providing training and enhanced employment opportunities to low- and moderate income persons.~~

~~“CDBG” means community development block grant.~~

~~“Citizen participation plan” means the plan required and approved by the U.S. Department of Housing and Urban Development that describes the state’s process for including citizen participation in development of its consolidated plan and annual action plan. The citizen participation plan is available on the authority’s CDBG Web site website.~~

~~“Consolidated plan” means the five-year plan required and approved by the U.S. Department of Housing and Urban Development that establishes goals and objectives for the state’s CDBG program. The consolidated plan is available on the authority’s CDBG Web site website.~~

~~“EDSA” means economic development set-aside.~~

~~“HUD” means the U.S. Department of Housing and Urban Development.~~

~~“LMI” means low and moderate income. Households earning 80 percent or less of the area median income are LMI households.~~

~~“PFSA” means public facilities set-aside.~~

~~“Program income” means gross income a recipient receives that is directly generated by the use of CDBG funds, including funds generated by the use of program income.~~

~~“Management guide” means the administrative reference manual published by the authority for each program year. The management guide is available on the authority’s website.~~

~~“Program year” means the annual period beginning January 1 and ending December 31.~~

~~“Recipient” means a local government entity awarded CDBG funds under any CDBG program.~~

~~“Subrecipient” means a public or nonprofit entity contracting with and receiving funds from a recipient to carry out CDBG project activities.~~

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

~~“Sustainable community activities” means activities to develop viable communities while preserving precious environment and resources.~~

ITEM 2. Amend rule 261—23.3(15) as follows:

261—23.3(15) Annual action plan. The authority will prepare a CDBG annual action plan for submittal to and approval by HUD. The plan will provide a description of the activities and programs that will take place during the year to meet goals established in the consolidated plan.

~~23.3(1) The annual action plan will contain the following:~~

- ~~a. Executive summary.~~
- ~~b. Sources of federal and state funds.~~
- ~~c. Statement of specific annual objectives.~~
- ~~d. Outcome measures.~~
- ~~e. Method of distribution of funds.~~
- ~~f. Allocation priorities and geographic distribution.~~
- ~~g. Annual affordable housing goals.~~
- ~~h. Homeless and other special needs.~~
- ~~i. Other actions to meet underserved community development needs.~~
- ~~j. Citizen participation in development of the plan.~~
- ~~k. Certifications required by 24 CFR 91.325 as revised December 5, 2011.~~
- ~~l. Monitoring efforts to ensure compliance.~~

23.3(2) 23.3(1) The authority will follow the state’s citizen participation plan during the development of the annual action plan. A draft annual action plan will be available on the authority’s ~~CDBG Web site website~~ for 30 days for public review and comment. The authority will hold a public hearing during the comment period to collect public input on the plan prior to its submittal to HUD.

~~23.3(3) 23.3(2)~~ The annual action plan will be submitted to HUD by November 15 of each year or 60 days after HUD announces the annual allocation amount. Upon review and approval by HUD, the annual action plan will cover activities from January 1 to December 31 of the year following plan submittal to HUD.

~~23.3(4) 23.3(3)~~ The annual action plan will include the proposed CDBG program funding allocation, including the percentage of funds allocated for each of the CDBG programs and activities listed in rule 261—23.4(15).

ITEM 3. Amend rule 261—23.4(15) as follows:

261—23.4(15) Allocation of funds and eligible applicants. Upon approval by HUD, the authority will annually allocate CDBG funds among programs or activities described in the state’s most recent annual action plan, which may include, but not be limited to, the following:

~~23.4(1) Allocation of funds.~~ Upon approval by HUD, the authority will annually allocate CDBG funds among programs or activities according to the annual action plan as follows:

- ~~a. Administration.~~
- ~~b. Technical assistance.~~
- ~~c. Housing fund.~~
- ~~d. Job creation, retention and employment enhancement fund. Job creation, retention and employment enhancement funds are awarded through three programs: the economic development set-aside (EDSA), the public facilities set-aside (PFSA), and career link.~~
- ~~e. Water and sewer fund.~~
- ~~f. Community facilities fund.~~
- ~~g. Opportunities and threats fund.~~

~~23.4(2) Eligible applicants.~~ All incorporated cities and all counties in the state of Iowa, except those designated as entitlement areas by the U.S. Department of Housing and Urban Development, are eligible to apply for and receive funds under the CDBG program. Applicants shall not apply on behalf of eligible applicants other than themselves.

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

~~23.4(3) Application with subrecipients. Any eligible applicant may apply directly or on behalf of a subrecipient.~~

~~23.4(4) Joint applications. Any eligible applicant may apply individually or jointly with another eligible applicant or other eligible applicants.~~

~~23.4(5) Reallocation. Any reserved funds not used for their specified purpose within the program year shall be reallocated in amounts and to funds as approved by the director to ensure the availability of resources to those funds in which the greatest need is demonstrated to exist or to respond to community or business needs.~~

~~23.4(6) Recaptured funds. Recaptured funds shall be available for use through the water and sewer fund, the community facilities fund, the opportunities and threats fund, the housing fund, the downtown revitalization fund, and the economic development set-aside fund. As approved by the director, recaptured funds may be used to fund projects from the job creation, retention and employment enhancement fund in order to respond to an immediate business need if no funds are available through the economic development set-aside fund or public facilities set-aside fund. Recaptured funds remaining at the end of a program year shall be reallocated in amounts and to funds as approved by the director to ensure the availability of resources to those funds in which the greatest need is demonstrated to exist or to respond to a community or business need.~~

- ~~1. Housing assistance.~~
- ~~2. Job training and employment-related transportation services.~~
- ~~3. Water and sewer improvements.~~
- ~~4. Community facilities improvements.~~
- ~~5. Opportunities and threats fund.~~
- ~~6. Business or microenterprise assistance.~~
- ~~7. Neighborhood revitalization activities.~~

ITEM 4. Amend rule 261—23.5(15) as follows:

261—23.5(15) Common requirements Requirements for funding. Applications for funds under any of the program-allocated funds pursuant to rule 261—23.4(15) shall meet the following minimum criteria: described in subrules 23.5(1) through 23.5(3).

23.5(1) Proposed activities shall be eligible, as authorized by Title I, Section 105 of the Housing and Community Development Act of 1974, as amended, and as further defined in 24 CFR Part 570, as revised April 1, 1997.

23.5(2) Proposed activities shall address at least one of the following three objectives:

a. Primarily benefit low- and moderate-income persons. To address this objective, 51 percent or more persons benefiting from a proposed activity must have incomes at or below 80 percent of the area median income.

b. Aid in the prevention or elimination of slums and blight. To address this objective, the application must document the extent or seriousness of deterioration in the area to be assisted, showing a clear adverse effect on the well-being of the area or community and illustrating that the proposed activity will alleviate or eliminate the conditions causing the deterioration.

c. Meet an urgent community development need. To address this objective, the applicant must certify that the proposed activity is designed to alleviate existing conditions that pose a serious and immediate threat to the health or welfare of the community and that are recent in origin or that recently became urgent; that the applicant is unable to finance the activity without CDBG assistance and that other sources of funding are not available. ~~A condition shall be considered recent if it developed or became urgent within 18 months prior to submission of the application for CDBG funds.~~

~~23.5(3) Applicants shall demonstrate capacity for grant administration. Administrative capacity shall be evidenced by previous satisfactory grant administration, availability of qualified personnel or plans to contract for administrative services. Funds used for administration shall not exceed 10 percent of the CDBG award amount or 10 percent of the total contract amount, except for awards made under the career link program, for which funds used for administration shall not exceed 5 percent of the CDBG award amount.~~

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

~~23.5(4)~~ Applicants who have received previous CDBG awards shall have demonstrated acceptable past performance, including the timely expenditure of funds.

~~23.5(5)~~ Applications shall demonstrate the feasibility of completing the proposed activities with the funds requested.

~~23.5(6)~~ To the greatest extent feasible, applications shall propose the use of CDBG funds as gap financing. Applications shall identify and describe any other sources of funding for proposed activities.

~~23.5(7)~~ Applications shall include a community development and housing needs assessment.

~~23.5(8)~~ Negotiation of awards. The authority may negotiate award amounts, terms and conditions prior to making any award under any program.

~~23.5(9)~~ 23.5(3) Applicants shall certify their compliance with federal requirements applicable to the CDBG program including, but not limited to, the following:

a. to u. No change.

ITEM 5. Rescind rule 261—23.6(15) and adopt the following **new** rule in lieu thereof:

261—23.6(15) Award and administration. The authority may negotiate award amounts, terms and conditions prior to making any award under the program. Recipients shall comply with requirements and instructions set forth in the applicable CDBG management guide.

ITEM 6. Rescind and reserve rules **261—23.7(15)** to **261—23.11(15)**.

ITEM 7. Rescind and reserve rules **261—23.14(15)** to **261—23.17(15)**.

[Filed 2/18/22, effective 4/13/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6242C

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Rule making related to angel investor tax credits

The Economic Development Authority hereby amends Chapter 115, "Tax Credits for Investments in Qualifying Businesses and Community-Based Seed Capital Funds," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 15.106A and 15E.43.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code sections 15E.43 and 15E.44.

Purpose and Summary

Tax credits for investments in qualifying businesses and community-based seed capital funds, also known as angel investor tax credits, are administered by the Authority pursuant to Iowa Code chapter 15E, subchapter V. A taxpayer may receive a tax credit of 25 percent of the taxpayer's equity investment in Iowa businesses that meet criteria established in Iowa Code section 15E.44.

This rule making clarifies the processes for businesses and investors to participate in the program and eliminates references to provisions related to community-based seed capital funds that were repealed in 2015. These amendments set a cut-off date for the waitlist maintained by the Authority for applications received in excess of the \$2 million-per-year aggregate allocation for the program. Only applications received on or before March 31, 2022, will be placed on a waitlist. After that date, applicants may

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

submit applications only during designated periods established by the Authority for fiscal years in which tax credits are available. These amendments also address applications received in excess of calendar year caps for investments in one qualifying business or by a natural person and that person's spouse or dependents.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on January 12, 2022, as **ARC 6140C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Authority Board on February 18, 2022.

Fiscal Impact

A fiscal impact cannot be determined. It is unknown what impact eliminating the waitlist will have on utilization of the program.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making actions are adopted:

ITEM 1. Amend **261—Chapter 115**, title, as follows:

**TAX CREDITS FOR INVESTMENTS IN QUALIFYING BUSINESSES AND
COMMUNITY-BASED SEED CAPITAL FUNDS**

ITEM 2. Amend rule 261—115.1(15E) as follows:

261—115.1(15E) Tax credits for investments in qualifying businesses and ~~community-based seed capital funds~~. Tax credits for investments in qualifying businesses ~~and community-based seed capital funds~~ may be claimed as provided in this rule and any applicable rules of the department of revenue.

115.1(1) Tax credits allowed only after a certain date. A taxpayer may claim a tax credit under this rule for equity investments in certain qualifying businesses ~~or community-based seed capital funds~~. Only equity investments made on or after January 1, 2011, qualify for a tax credit under this rule. Equity investments made before that date must be claimed under 123—Chapter 2.

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

115.1(2) No change.

~~**115.1(3)** *Investments in community-based seed capital funds.*~~

~~*a.*—A taxpayer may claim a tax credit under this subrule for a portion of the taxpayer's equity investment in a community-based seed capital fund if that investment was made on or after January 1, 2011.~~

~~*b.*—The tax credit may be claimed against the taxpayer's tax liability for any of the following taxes:~~

- ~~(1) The personal net income tax imposed under Iowa Code chapter 422, division II.~~
- ~~(2) The business tax on corporations imposed under Iowa Code chapter 422, division III.~~
- ~~(3) The franchise tax on financial institutions imposed under Iowa Code chapter 422, division V.~~
- ~~(4) The tax on gross premiums of insurance companies imposed under Iowa Code chapter 432.~~
- ~~(5) The tax on moneys and credits imposed under Iowa Code section 533.329.~~

~~*c.*—Investments made in community-based seed capital funds on or after January 1, 2011, and before July 2, 2015, are governed by 2015 Iowa Code sections 15E.41 to 15E.46, 422.11F, 422.33, 422.60, 432.12C, and 533.329.~~

~~*d.*—Investments made in community-based seed capital funds on or after July 2, 2015, are not eligible for tax credits. See 2015 Iowa Acts, Senate File 510, sections 107 to 128, which include the repeal of Iowa Code section 15E.45 and other provisions related to the administration of community-based seed capital funds.~~

~~**115.1(4)** **115.1(3)** *Amount of tax credit that may be claimed by taxpayer.*~~

~~*a.* In the case of investments made on or after July 1, 2011, and before July 2, 2015, the amount of tax credit available to a taxpayer under this rule is equal to 20 percent of the taxpayer's equity investment in either a qualifying business or community-based seed capital fund. In the case of investments made on or after July 2, 2015, the amount of tax credit available to a taxpayer under this rule is equal to 25 percent of the taxpayer's equity investment in a qualifying business.~~

~~*b.* In the case of investments made on or after July 1, 2011, and before July 2, 2015, the maximum amount of a tax credit for an investment by an investor in any one qualifying business shall be \$50,000. Each year, an investor, and all affiliates of that investor, shall not claim tax credits under this rule for more than five different investments in five different qualifying businesses. In the case of investments made on or after July 2, 2015, the maximum amount of tax credit that may be issued per calendar year to a natural person and the person's spouse or dependent shall not exceed \$100,000 combined. For purposes of this paragraph, a tax credit issued to a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual shall be deemed to be issued to the individual owners based upon the pro rata share of the individual's earnings from the entity. For purposes of this paragraph, "dependent" has the same meaning as provided by the Internal Revenue Code. Applications received by the authority that exceed the maximum amount of tax credits per calendar year to a natural person and the person's spouse or dependent will be denied by the board, regardless of whether the investment was otherwise eligible to receive a tax credit award. Any application that can be partially approved without exceeding the maximum amount in this paragraph will be approved as to the portion less than the maximum amount and denied as to the portion greater than the maximum amount. For example, if an application is eligible for \$50,000 of tax credits, but there is only \$30,000 of the household maximum amount available, the application will be approved for \$30,000 and denied for \$20,000.~~

~~*c.*—Investments in community-based seed capital funds.~~

~~(1) An investor in a community-based seed capital fund shall receive a tax credit pursuant to this rule only for the investor's investment in the community-based seed capital fund and shall not receive any additional tax credit for the investor's share of investments in a qualifying business made by the community-based seed capital fund or in an Iowa-based seed capital fund which has at least 40 percent of its committed capital subscribed by community-based seed capital funds. However, an investor in a community-based seed capital fund may receive a tax credit under this rule with respect to a separate direct investment made by the investor in the same qualifying business in which the community-based seed capital fund invests.~~

~~(2) Paragraph "c" only applies to investments in community-based seed capital funds made on or after July 1, 2011, and before July 2, 2015.~~

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

~~d. c.~~ The maximum amount of tax credits that may be issued per calendar year for equity investments in any one qualifying business shall not exceed \$500,000. Applications received by the authority that exceed the maximum amount of tax credits per calendar year in any one qualifying business will be denied by the board, regardless of whether the investment was otherwise eligible to receive a tax credit award. Any application that can be partially approved without exceeding the maximum amount in this paragraph will be approved as to the portion less than the maximum amount and denied as to the portion greater than the maximum amount. For example, if an application is eligible for \$50,000 of tax credits, but there is only \$30,000 of the business maximum amount available, the application will be approved for \$30,000 and denied for \$20,000.

~~115.1(5)~~ 115.1(4) *Claiming an investment tax credit.* A taxpayer that makes an investment in a qualifying business ~~or community-based seed capital fund~~ and that otherwise meets the requirements of this chapter will receive a board-approved tax credit certificate from the authority. To claim the credit, the taxpayer must ~~attach~~ include the certificate ~~to with~~ a tax return filed with the department of revenue. For more information on claiming the tax credit, see department of revenue ~~rule~~ rules 701—42.22(15E,422), 701—52.21(15E,422), and 701—58.11(15E,422). See also 2015 Iowa Acts, chapter 138, division XX.

~~115.1(6)~~ 115.1(6) *Tax credits for pass-through entities.* If the taxpayer that is entitled to a tax credit for an investment in a community-based seed capital fund or a qualifying business is a pass-through entity electing to have its income taxed directly to its individual owners, such as a partnership, limited liability company, S corporation, estate or trust, the pass-through entity must allocate the allowable credit to each of the individual owners of the entity on the basis of each owner's pro-rata share of the earnings of the entity, and the individual owners may claim their respective credits on their individual income tax returns.

~~115.1(7)~~ 115.1(7) *Refundability for certain tax credits.* For a tax credit claimed against the taxes imposed in Iowa Code chapter 422, division II, any tax credit in excess of the tax liability is refundable. In lieu of claiming a refund, the taxpayer may elect to have the overpayment shown on the taxpayer's final, completed return credited to the tax liability for the following tax year.

~~115.1(8)~~ 115.1(8) *Carryforward period for certain tax credits.* For a tax credit claimed against the taxes imposed in Iowa Code chapter 422, divisions III and V, and in Iowa Code chapter 432, and against the moneys and credits tax imposed in Iowa Code section 533.329, any tax credit in excess of the taxpayer's liability for the tax year may be credited to the tax liability for the following three years or until depleted, whichever is earlier.

~~115.1(9)~~ 115.1(9) *Carryback of credits prohibited.* A tax credit shall not be carried back to a tax year prior to the tax year in which the taxpayer redeems the tax credit.

ITEM 3. Amend rule 261—115.2(15E) as follows:

261—115.2(15E) Definitions. For purposes of this chapter, unless the context otherwise requires:

"*Affiliate*" means a spouse, child, or sibling of an investor or a corporation, partnership, or trust in which an investor has a controlling equity interest or in which an investor exercises management control.

"*Authority*" means the economic development authority created in 2011 Iowa Acts, House File 590 Iowa Code section 15.105.

"*Board*" means ~~the same as defined in Iowa Code section 15.102 as amended by 2011 Iowa Acts, House File 590, section 3~~ the members of the economic development authority appointed by the governor and in whom the powers of the authority are vested pursuant to Iowa Code section 15.105.

"*Community-based seed capital fund*" means a fund that meets the following criteria:

1. ~~Is organized as a limited partnership or limited liability company;~~
2. ~~Has, on or after January 1, 2011, a total of capital commitments from both investors and investments in qualifying businesses of at least \$125,000, but not more than \$3 million. If the fund is either a rural business investment company under the Rural Business Investment Program of the federal Farm Security and Rural Investment Act of 2002 or an Iowa-based seed capital fund with at least 40 percent of its committed capital subscribed by community-based seed capital funds, the fund may~~

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

~~have more than \$3 million of capital commitments from both investors and investments in qualifying businesses; and~~

~~3. Has no fewer than five investors that are not affiliates, with no single investor and affiliates of that investor together owning a total of more than 25 percent of the ownership interests outstanding in the fund.~~

~~“Controlling equity interest” means ownership of more than 50 percent of the outstanding equity interests of a corporation, partnership, limited liability company or trust.~~

~~“Convertible debt” means debt that may be converted to equity at the option of the debt holder but has not yet been converted.~~

~~“Entrepreneurial assistance program” includes the entrepreneur investment awards program administered under Iowa Code section 15E.362, the receipt of services from a service provider engaged pursuant to Iowa Code section 15.411(1) or the program administered under Iowa Code section 15.411(2).~~

~~“Equity” means common or preferred corporate stock or warrants to acquire such stock, membership interests in limited liability companies, or partnership interests in partnerships, or near equity. Equity shall be limited to securities or interests acquired only for cash and shall not include securities or interests acquired at any time for services, contributions of property other than cash, convertible debt, or any other non-cash consideration.~~

~~“Investor” means a person that makes a cash investment in a community-based seed capital fund or in a qualifying business on or after January 1, 2011, and before July 2, 2015. “Investor” also means a person making a cash investment in a qualifying business on or after July 2, 2015. “Investor” does not include a person that holds at least a 70 percent ownership interest as an owner, member, or shareholder in a qualifying business for investments made on or after January 1, 2011.~~

~~“Management control” means holding more than 50 percent of the voting power on any board of directors or trustees, any management committee, or any other group managing a corporation, partnership, limited liability company or trust.~~

~~“Person” means an individual, corporation, limited liability company, business trust, estate, trust, partnership or association, or any other legal entity.~~

~~“Qualifying business” means, in the case of investments made on or after July 2, 2015, a business that meets all of the following criteria: a business that meets the criteria listed in subrule 115.5(2).~~

~~1. The principal business operations of the business are located in the state of Iowa;~~

~~2. The business has been in operation for six years or less, as measured from the date of the investment for which a credit is claimed;~~

~~3. The business is participating in an entrepreneurial assistance program. The authority may waive this requirement if a business establishes that its owners, directors, officers, and employees have an appropriate level of experience such that participation in an entrepreneurial assistance program would not materially change the prospects of the business. The authority may consult with outside service providers in consideration of such a waiver;~~

~~4. The business is not a business engaged primarily in retail sales, real estate or the provision of health care services or other services requiring a professional license;~~

~~5. The business does not have a net worth that exceeds \$10 million as of the date of the investment for which the credit is claimed; and~~

~~6. The business shall have secured all of the following at the time of application for tax credits:~~

~~● At least two investors.~~

~~● Total equity financing, binding investment commitments, or some combination thereof, equal to at least \$500,000 from investors.~~

~~For purposes of paragraph “6,” “investor” includes a person that executes a binding investment commitment to a business.~~

~~“Services requiring a professional license” includes but is not limited to the professions listed in Iowa Code section 496C.2.~~

ECONOMIC DEVELOPMENT AUTHORITY[261](cont'd)

ITEM 4. Amend rule 261—115.3(15E) as follows:

261—115.3(15E) Cash investments required. In order to qualify for a tax credit under this chapter, the taxpayer's investment must be made in the form of cash to purchase equity in a qualifying business ~~or in a community-based seed capital fund~~. Convertible debt shall only be considered an investment in the form of cash to purchase equity as of the date of conversion.

ITEM 5. Amend rule 261—115.4(15E) as follows:

261—115.4(15E) Applying for an investment tax credit.

115.4(1) A taxpayer that desires to receive an investment tax credit for an equity investment in a qualifying business ~~or community-based seed capital fund~~ shall submit an application to the board for approval and provide such other information and documentation as may be requested by the board. Application forms for the investment tax credit may be obtained by contacting ~~the Economic Development Authority, 200 East Grand Avenue, Des Moines, Iowa 50309. The telephone number is (515)725-3000~~ a qualifying business that has received a notice of certification pursuant to rule 261—115.5(15E).

115.4(2) Applications shall be date- and time-stamped by the authority in the order in which such applications are received. Applications for the investment tax credit shall be accepted by the authority until March 31 of the year following the calendar year in which the taxpayer's equity investment was made. ~~For investments made on or after July 2, 2015, and before January 1, 2016, applications for the investment tax credit shall be accepted by the authority until August 17, 2016. Investors who do not submit an application by the March 31 deadline are ineligible to receive a tax credit.~~

EXAMPLE 1: A taxpayer makes an equity investment in a qualifying business on December 31, 2011. The taxpayer has until March 31, 2012, to apply to the authority for an investment tax credit.

EXAMPLE 2: A taxpayer makes an equity investment in a qualifying business on July 1, 2012. The taxpayer has until March 31, 2013, to apply to the authority for an investment tax credit.

The authority may accept applications after the deadline under extenuating circumstances. The authority shall not consider the lack of an available application filing window pursuant to paragraph 115.6(6)“b” as an extenuating circumstance.

ITEM 6. Rescind rule 261—115.5(15E) and adopt the following **new** rule in lieu thereof:

261—115.5(15E) Certification of qualifying businesses.

115.5(1) Application for certification. Within 120 days from the first date on which the equity investments qualifying for investment tax credits have been made, a qualifying business shall apply to the authority for certification as a qualifying business as prescribed by the authority. Investments made more than 120 days prior to receipt by the authority of a substantially complete application for certification shall not be eligible for a tax credit. The application for certification will include the following information:

a. A description of the general nature of the business's operations, the location of the principal business operations, the date on which the business was formed, and the date on which the business commenced operations;

b. A balance sheet that reflects the qualifying business's assets, liabilities and owner's equity as of the close of the most recent month or quarter;

c. A description of the manner in which the business satisfies one of the business experience requirements set forth in paragraph 115.5(2)“c”;

d. The names, addresses, shares or equity interests issued, consideration paid for the shares or equity interests, and amounts of any tax credits of all shareholders or equity holders who may initially qualify for the tax credits and the date on which the investment was made. The application shall contain a commitment by the qualifying business to amend its list of investors as may be necessary from time to time to reflect new equity interests or transfers in equity among current equity holders or as any other information on the list may change. Applications for tax credits for investments that are not reflected on

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the most recent listing of investors provided to the authority shall not be eligible for tax credits until an amended list is provided by the qualifying business;

e. A signed statement from an officer, director, manager, member, or general partner of the qualifying business certifying the accuracy of the information provided; and

f. Any other information as the authority may reasonably require to determine the business's eligibility for certification as a qualifying business and its investors' eligibility to receive tax credits.

115.5(2) Eligibility for certification as a qualifying business. A business shall meet all of the following criteria to be eligible for certification as a qualifying business:

a. The principal business operations of the business are located in the state of Iowa;

b. The business has been in operation for six years or less, as measured from the date of the investment for which a credit is claimed;

c. The business is participating in an entrepreneurial assistance program. The authority may waive this requirement if a business establishes that its owners, directors, officers, and employees have an appropriate level of experience such that participation in an entrepreneurial assistance program would not materially change the prospects of the business. The authority may consult with outside service providers in consideration of such a waiver;

d. The business is not a business engaged primarily in retail sales, real estate, or the provision of health care services or other services requiring a professional license. In determining whether a business is primarily engaged in retail sales, factors the authority will consider include, but are not limited to, the sources of the business's revenue, whether the business manufactures a product it sells, and whether the business owns intellectual property associated with a product it sells;

e. The business does not have a net worth that exceeds \$10 million as of the date of the investment for which the credit is claimed; and

f. The business shall have secured all of the following at the time of application for tax credits:

(1) At least two investors.

(2) Total equity financing, binding equity investment commitments, or some combination thereof, equal to at least \$500,000 from investors. For the purposes of determining whether a business has secured at least \$500,000 from investors, convertible debt shall only be considered equity as of the date of conversion.

For purposes of paragraph 115.5(2)“*f.*” “investor” includes a person that executes a binding investment commitment to a business.

115.5(3) Authority review and notice of certification.

a. Upon the authority's receipt of the information and documentation necessary to demonstrate satisfaction of the criteria set forth in subrule 115.5(2), the authority shall, within a reasonable period of time, determine whether a business shall be certified as a qualifying business and, if applicable, issue written notification to the qualifying business that such business has been certified with the authority for the purpose of issuing investment tax credits. The notice shall indicate that such certification is subject to revocation or expiration pursuant to subrule 115.5(4). The authority will indicate in its written notice the first date investments are eligible for a tax credit based on the date of application for certification and the date the authority expects the certification to expire based on the date the business began operations.

b. The authority will only accept applications for investment tax credits from investors in qualifying businesses that have received a written notice of certification.

115.5(4) Revocation and expiration of certification.

a. A certified qualifying business must notify the authority as soon as it becomes aware of any changes in its eligibility as a qualifying business or in the eligibility of its investors to receive tax credits. A certified qualifying business shall provide any information as the authority may reasonably request to confirm the business's continued eligibility for certification as a qualifying business and the eligibility of its investors to receive tax credits.

b. If a qualifying business fails to meet or maintain any requirement set forth in this chapter, the authority shall revoke the business's certification as a qualifying business by issuing written notification of revocation to the business. If applicable, the notification shall identify the last date on which the

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business was eligible to be certified as a qualifying business. Investments made after the identified date will not be eligible for a tax credit.

c. If a business continues to satisfy all eligibility requirements until it has been in operations for more than six years, the business's certification will expire on the date identified as the expected date of expiration pursuant to paragraph 115.5(2) "a." Investments made after the identified date will not be eligible for a tax credit.

ITEM 7. Amend rule 261—115.6(15E) as follows:

261—115.6(15E) Approval, issuance and distribution of investment tax credits.

115.6(1) Approval by the board. Upon ~~verification and registration~~ certification by the authority of a qualifying business ~~or community-based seed capital fund~~ and approval of the taxpayer's application, the board will approve the issuance of a tax credit certificate to the taxpayer applying for the tax credit.

115.6(2) Issuance by the authority. Upon approval by the board, the authority shall issue a tax credit certificate to the applicant, provided, however, that such tax credit certificate shall be subject to rescission pursuant to rule 261—115.9(15E). ~~In the case of investments made on or after July 2, 2015, the authority will not issue a tax credit certificate prior to July 1, 2016.~~

115.6(3) Preparation of certificate. The tax credit certificate shall be prepared by the authority in a form approved by the board and shall contain the taxpayer's name, address, and tax identification number, the amount of credit, the name of the qualifying business ~~or community-based seed capital fund~~, the year in which the credit may be redeemed and any other information that may be required by the department of revenue. In addition, the tax credit certificate shall contain the following statement:

Neither the authority nor the board has recommended or approved this investment or passed on the merits or risks of such investment. Investors should rely solely on their own investigation and analysis and seek investment, financial, legal and tax advice before making their own decision regarding investment in this enterprise.

115.6(4) Tax credit amount limitations. The aggregate amount of tax credits issued per fiscal year pursuant to this chapter shall not exceed the amount allocated by the board pursuant to Iowa Code section 15.119, subsection 2. ~~For fiscal year 2012 and all subsequent fiscal years, that amount is \$2 million. In any one calendar year, the amount of tax credits issued for any one qualifying business shall not exceed \$500,000.~~

~~If, during any fiscal year during which tax credits are to be issued under this chapter, applications totaling more than the maximum amounts are received and approved, the applications will be carried forward and prioritized to receive tax credit certificates on a first-come, first-served basis in subsequent fiscal years.~~

~~When carrying forward and prioritizing such applications, the authority shall (1) issue tax credit certificates to the taxpayers for such carryover tax credits before issuing any new tax credits to later applicants, and (2) apply the aggregate amount of the credits carried over against the total amount of tax credits to be issued during the subsequent fiscal year before approving or issuing additional tax credits.~~

115.6(5) Waitlist for applications received on or before March 31, 2022.

a. If the maximum aggregate amount of tax credits is awarded in a given fiscal year, investors who are determined eligible for a tax credit but were not awarded a tax credit shall be placed on a waitlist in the order the applications are received. Applications that are placed on a waitlist shall be given priority for receiving tax credits in succeeding fiscal years. Placement on a waitlist pursuant to this paragraph shall not constitute a promise binding the state. The availability of a tax credit and issuance of a tax credit certificate pursuant to this rule in a future fiscal year is contingent upon the availability of tax credits in that particular fiscal year or years. This subrule shall apply only to applications received on or before March 31, 2022.

b. Any application that can be partially approved without exceeding the maximum aggregate amount of tax credits will be approved as to the portion less than the maximum aggregate amount and placed on a waitlist as to the portion greater than the maximum aggregate amount. For example, if an

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application is eligible for \$50,000 of tax credits, but there is only \$30,000 of the maximum aggregate amount available, the application will be approved for \$30,000 and placed on a waitlist for \$20,000.

115.6(6) Applications received on or after April 1, 2022.

a. Applications for tax credits received on or after April 1, 2022, will not be placed on a waitlist if the maximum aggregate amount of tax credits is awarded in a given fiscal year.

b. Beginning on or after April 1, 2022, the authority will identify an application period, or periods, on the authority's Internet site at www.iowaeda.com for each fiscal year in which an allocation of tax credits is available and has not been fully utilized by applications previously placed on a waitlist pursuant to subrule 115.6(5). Only applications submitted during the established filing window will be reviewed for eligibility by the authority. Each identified application period will remain open until the date indicated by the authority for that fiscal year.

c. Applications received on or after April 1, 2022, in excess of the maximum aggregate amount of tax credits for the fiscal year in which they are received will be denied by the board, regardless of whether the investment was otherwise eligible to receive a tax credit award.

d. Any application that can be partially approved without exceeding the maximum aggregate amount of tax credits will be approved as to the portion less than the maximum aggregate amount and denied as to the portion greater than the maximum aggregate amount. For example, if an application is eligible for \$50,000 of tax credits, but there is only \$30,000 of the maximum aggregate amount available, the application will be approved for \$30,000 and denied for \$20,000.

ITEM 8. Amend rule 261—115.7(15E) as follows:

261—115.7(15E) Claiming the tax credits. To claim a tax credit under this chapter, a taxpayer must ~~attach to~~ include with that taxpayer's tax return a certificate issued pursuant to this chapter when the return is filed with the department of revenue. For more information on claiming tax credits, see department of revenue rule rules 701—42.22(15E,422), 701—52.21(15E,422), and 701—58.11(15E,422). ~~In the case of tax credits issued for investments made on or after July 2, 2015, a taxpayer shall not claim a tax credit at the department of revenue prior to September 1, 2016.~~

ITEM 9. Amend rule 261—115.8(15E) as follows:

261—115.8(15E) Notification to the department of revenue. Upon the issuance and distribution of investment tax credits for a tax year, the authority shall promptly notify the department of revenue by ~~providing copies of the tax credit certificates issued for such tax year to the department of revenue.~~ Such notification shall also include, but not be limited to, the aggregate number and amount of tax credits issued for the tax year.

ITEM 10. Amend rule 261—115.9(15E) as follows:

261—115.9(15E) Rescinding tax credits. In the event that a qualifying business fails to meet or maintain any requirement set forth in this chapter, the authority, upon action by the board, shall rescind any tax credit certificates issued to taxpayers for investments made after the date as of which the business's certification was revoked or expired and shall notify the department of revenue that it has done so. A tax credit certificate that has been rescinded by the authority shall be null and void, and the department of revenue will not accept the tax credit certificate.

115.9(1) Rescission of credits for investments in qualifying businesses.

a. In the case of investments made on or after July 1, 2011, and before January 1, 2014, within 24 months from the first date on which the equity investments qualifying for investment tax credits have been made, a qualifying business shall have secured total equity or near equity financing equal to at least \$250,000. The business shall provide to the authority information and documentation sufficient to demonstrate that the business has secured total equity or near equity financing equal to at least \$250,000 and that such financing was secured within the 24 months required by this rule and shall do so by the equity deadline. For purposes of this subrule, the "equity deadline" shall be the next June 30 following the end of the calendar year in which the qualifying business is required to have secured total equity

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or near equity financing equal to at least \$250,000. For example, a qualifying business in which equity investments qualifying for investment tax credits were made in 2011 shall have an equity deadline of June 30, 2014. Examples of sufficient information and documentation include, but are not limited to, the following:

(1) Corporate, partnership or limited liability company certified resolutions setting forth the names of individuals or entities making capital contributions and the amounts of such capital contributions;

(2) Certified corporate, partnership, or limited liability company minutes reflecting the names of individuals or entities making capital contributions and the amounts of such capital contributions.

b.— On or by the equity deadline, a qualifying business shall certify to the authority, by a statement signed by an officer, director, member, manager, or general partner of the qualifying business, that it secured the requisite amount of equity financing required by this rule within 24 months from the date on which the equity investments qualifying for investment tax credits were made and shall recertify to the authority that the qualifying business continues to meet the requirements set forth in subrule 115.5(1).

c.— In the event that a qualifying business fails to meet or maintain any requirement set forth in this rule, including, without limitation, timely filing of the certifications described in paragraph 115.9(1) “*b.*,” the authority, upon action by the board, shall rescind any tax credit certificates issued to those taxpayers and shall notify the department of revenue that it has done so. A tax credit certificate that has been rescinded by the authority shall be null and void, and the department of revenue will not accept the tax credit certificate. In addition, the authority shall remove the qualifying business from the registry and shall issue written notification of such removal to the qualifying business and the applicants.

115.9(2) Rescission of credits for investments in community-based seed capital funds.

a.— A community-based seed capital fund shall have invested at least 33 percent of its invested capital in one or more separate qualifying businesses on or by the last day of the 48-month period that commences with the fund’s investing activities.

b.— On or by the last day of the 48-month period described in paragraph 115.9(2) “*a.*,” a community-based seed capital fund shall certify to the board, by a statement signed by an officer, director, member, manager, or general partner of the community-based seed capital fund, that it has met the requirements of this rule within the time period prescribed by this subrule and shall recertify to the board that the community-based seed capital fund continues to meet the requirements set forth in subrule 115.5(2).

c.— In the event that a community-based seed capital fund fails to meet or maintain any requirement set forth in this subrule, including, without limitation, timely filing of the certifications described in paragraph 115.9(2) “*b.*,” the authority, upon action of the board, shall rescind any tax credit certificates issued to limited partners or members and shall notify the department of revenue that it has done so. A tax credit certificate that has been rescinded by the authority shall be null and void, and the department of revenue will not accept the tax credit certificate. In addition, the authority shall remove such community-based seed capital fund from the registry and shall issue written notification of such removal to the community-based seed capital fund and the applicants.

d.— Notwithstanding paragraphs 115.9(2) “*a.*” to “*c.*,” a community-based seed capital fund may apply to the authority for a one-year waiver from the requirements of this rule. The authority shall, upon review of a community-based seed capital fund’s application for waiver, exercise reasonable discretion in granting or denying such waiver. In the event that the authority grants to a community-based seed capital fund a one-year waiver from the requirements of this rule, the authority shall defer any rescission of the tax credit certificates until the expiration of such one-year waiver period. If the community-based seed capital fund meets the requirements of this rule by the expiration of such one-year waiver period, the tax credit certificates shall not be rescinded. However, the tax credit certificates shall be rescinded at the end of such one-year waiver period if such requirements have not been met.

ITEM 11. Amend subrule 115.10(1) as follows:

115.10(1) Additional information. The authority may at any time request additional information and documentation from a qualifying business or community-based seed capital fund regarding the operations, job creation and economic impact of such qualifying business or community-based seed

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~~capital fund~~, and the authority may use such information in preparing and publishing any reports to be provided to the governor and the general assembly.

ITEM 12. Amend **261—Chapter 115**, implementation sentence, as follows:

These rules are intended to implement Iowa Code chapter 15E, ~~division subchapter V, and 2011 Iowa Acts, Senate File 517.~~

[Filed 2/18/22, effective 4/13/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6223C

HUMAN SERVICES DEPARTMENT[441]

Adopted and Filed

Rule making related to contracts

The Human Services Department hereby amends Chapter 2, “Contracting Out Department of Human Services Employees and Property,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 218.4.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 225C.4.

Purpose and Summary

The Department is updating the administrative rules for entering into contracts with Department employees in a service program or for the use of buildings and grounds of state institutions. This will allow the rules to come into alignment with current practices and will also eliminate outdated definitions.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 29, 2021, as **ARC 6116C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Council on Human Services on February 10, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

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Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on May 1, 2022.

The following rule-making actions are adopted:

ITEM 1. Amend rule **441—2.1(23A,225C)**, definitions of “Division,” “Lessee,” “State institutions” and “Superintendents,” as follows:

“*Division*” includes the divisions of mental health and ~~developmental disabilities~~ disability services; and adult, children and family services.

“*Lessee*” means a nonprofit provider of services or other approved activity or other nonprofit entity as defined by Iowa Code chapter 504A that has been permitted to lease space in certain buildings or grounds on one or more of the mental health institutes, state ~~hospital schools~~ resource centers, the ~~Iowa Juvenile Home at Toledo, Iowa, or the State Training School~~ state training school at Eldora, Iowa, or the civil commitment unit for sexual offenders at Cherokee, Iowa, from the department.

“*State institutions*” (also referred to as campuses), for the purposes of this chapter, include: the Glenwood and Woodward state ~~hospital schools~~ resource centers; the Cherokee, ~~Clarinda, and Independence, and Mt. Pleasant~~ mental health institutions; ~~the Iowa Juvenile Home in Toledo; and the State Training School~~ state training school in Eldora; and the civil commitment unit for sexual offenders in Cherokee.

“*Superintendents*” are the administrators of these state institutions as defined by Iowa Code chapter 218 as well as those administrators appointed by the director of the department of human services pursuant to Iowa Code ~~chapters~~ chapter 233A and 233B at the ~~Iowa Juvenile Home in Toledo and the State Training School~~ state training school in Eldora.

ITEM 2. Amend subrule 2.5(1) as follows:

2.5(1) Referral to contract manager: A campus superintendent or designee may show available space to a potential lessee but has no authority to approve any leasing arrangements or to commit buildings or grounds to potential lessees. Superintendents shall notify the contract manager if contacted by a potential lessee. If space is available or expected to be available on the campus, the superintendent shall direct all entities interested in pursuing lease arrangements to ~~write~~ contact the contract manager in the department's central office.

ITEM 3. Amend subrule 2.5(3) as follows:

2.5(3) Evaluation of proposals. The contract manager, in collaboration with the respective division administrator and the respective superintendents, shall evaluate all proposals to determine if they meet the general principles identified above. ~~The contract manager~~ division administrator, in collaboration with the respective superintendent(s), shall recommend whether to proceed with the leasing process to the director or designee. The contract manager shall notify the potential lessee in writing of the director's or designee's decision and, if applicable, identify the reasons for denial. All decisions are considered final and binding and are not subject to appeal.

[Filed 2/13/22, effective 5/1/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6237C**HUMAN SERVICES DEPARTMENT[441]****Adopted and Filed****Rule making related to mental health and disability services regional service fund**

The Human Services Department hereby amends Chapter 25, “Disability Services Management,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 225C.6 and 225C.7A.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 225C.7A.

Purpose and Summary

2021 Iowa Acts, Senate File 619, division XXV, section 106, created a General Fund standing appropriation to the Department for distribution to the mental health and disability services (MHDS) regions through performance-based contracts and created a regional incentive fund. The Department will make quarterly regional service system payments to an MHDS region combined account.

This rule making amends MHDS regional finance rules to describe the requirements and process for regions to certify with the Department the amount of the ending fund balance from the previous year. Ending balance limitations and supplemental payment withholdings are defined. These amendments also implement the criteria and reporting instructions for eligible financial encumbrances. Revisions are made to the regional incentive fund rules to include linkages to performance-based contract criteria. These amendments also outline the requirements and goals for performance-based contracts between the Department and the MHDS regions.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 29, 2021, as **ARC 6115C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the MHDS Commission on February 17, 2022.

Fiscal Impact

Payments from the mental health and disability services regional service fund will be based on the per capita funding levels authorized in 2021 Iowa Acts, Senate File 619. Senate File 619 appropriated \$3 million to the regional incentive fund for state fiscal year 2022. Future incentive fund revenues cannot be estimated at this time due to the uncertainty of future county fund balances and the amounts that counties will be required to send back to the fund.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

HUMAN SERVICES DEPARTMENT[441](cont'd)

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on May 1, 2022.

The following rule-making actions are adopted:

ITEM 1. Adopt the following **new** definitions of “Cash flow,” “Encumbered,” “Ending balance limitation,” “Ending balance threshold,” “Ending fund balance” and “Regional service growth factor” in rule **441—25.11(331)**:

“*Cash flow*” means the same as “ending fund balance.”

“*Encumbered*” or “*encumbrances*” means regional commitments related to obligations or contracts as defined in subrule 25.13(6).

“*Ending balance limitation*” means the percentage limit allowable by state law that a region’s ending fund balance can exceed actual expenditures for the previous fiscal year.

“*Ending balance threshold*” means the same as defined in Iowa Code section 225C.7A.

“*Ending fund balance*” means the amount of residual funds remaining in a region’s combined account at the conclusion of a fiscal year after the region has met the financial obligations for implementation of its regional service system management plan.

“*Regional service growth factor*” means the same as defined in Iowa Code section 225C.7A.

ITEM 2. Amend rule 441—25.13(331) as follows:

441—25.13(331) Regional finances.

25.13(1) Regional service payments. The department will distribute funds from the mental health and disability services regional service fund to regions in accordance with Iowa Code section 225C.7A. Funds will be distributed in July, October, January, and April.

25.13(1) 25.13(2) Funding. Funding for non-Medicaid mental health and disability services and children’s behavioral health services is under the control of the governing board and shall:

a. Be maintained to limit administrative burden and provide public transparency regarding financial processes.

b. Be maintained in ~~one of three ways~~:

(1) ~~In a combined account.~~

(2) ~~In separate county accounts that are under the control of the governing board.~~

(3) ~~In other arrangements authorized by law.~~

c. Be used to fund services in accordance with the regional service system management plan and the performance-based contract.

d. Be maintained in a county mental health and disability services fund for the deposit of regional service payments for those counties exempted under Iowa Code section 331.389. Expenditures to be made from the county mental health and disability services fund will not be made from any other fund of the county. The exempted county mental health and disability services fund is considered to be the same as a region combined account and is subject to the same requirements as a region combined account.

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~~25.13(2)~~ **25.13(3)** *Accounting system and financial reporting.* The accounting system and financial reporting to the department shall conform to Iowa Code section 331.391 and include all non-Medicaid mental health and disability expenditures. Information shall be separated and identified in a uniform chart of accounts, including but not limited to the following: expenses for administration; purchase of services; and enterprise costs for which the region is a service provider or is directly billing and collecting payments.

25.13(4) *Ending fund balance.* Each region shall certify to the department of human services on or before December 1 the region's cash flow amount in the combined account at the conclusion of the most recently completed fiscal year.

a. A region must submit the ending fund balance on forms specified by the department.

b. The certified ending fund balance shall exclude encumbered amounts for which resources already have been committed and been approved by the department in accordance with subrule 25.13(7).

c. A certified submission must:

(1) Be approved by the region's governing board prior to submittal to the department.

(2) Be signed by the chairperson of the regional governing board and the regional chief executive officer.

25.13(5) *Ending balance limitations.*

a. A region's certified ending fund balance as determined in subrule 25.13(4) will not exceed a percentage of the region's actual expenditures for the preceding fiscal year. The ending balance limitations are as follows:

(1) For the fiscal year beginning July 1, 2021, the ending balance shall be no more than 40 percent of the actual expenditures of that year.

(2) For the fiscal year beginning July 1, 2022, the ending balance shall be no more than 20 percent of the actual expenditures of that year.

(3) For the fiscal year beginning July 1, 2023, and each succeeding fiscal year thereafter, the ending balance shall be no more than 5 percent of the actual expenditures of that year.

b. If a region has an ending fund balance more than the limitation, the department will reduce the current fiscal year's remaining quarterly regional service payments equal to the excess ending fund balance amount.

c. If withholding a region's remaining quarterly payments does not sufficiently effectuate the required reduction, the region shall pay to the department any additional excess ending fund balance amount.

d. The amount of reductions to regional service payments and amounts paid to the department under paragraph 25.13(5)"c" shall be transferred and credited to the regional incentive fund.

25.13(6) *Acceptable encumbrances.* A region shall report to the department moneys for which a commitment is imposed and binding.

a. Financial obligations entered into by the region may be considered an acceptable encumbrance under the following circumstances:

(1) Existence of evidence as demonstrated by a contract or purchase order that details the services to be delivered and cost to the region.

(2) Entry of the region into executed contracts or binding commitments shall occur through formal action of the region's governing board.

b. Acceptable encumbrances shall be entered into and fulfilled according to the time frames outlined below:

(1) For the fiscal year beginning July 1, 2021, funds shall be obligated by the end of the fiscal year. Services shall be fully executed and moneys expended by June 30, 2023.

(2) For the fiscal year beginning July 1, 2022, funds shall be obligated by the end of the fiscal year. Services shall be fully executed and moneys expended by December 31, 2023.

(3) For the fiscal year beginning July 1, 2023, and each succeeding fiscal year thereafter, funds shall be obligated by the end of the current fiscal year. Services shall be fully executed and moneys expended by August 31 of the subsequent fiscal year.

HUMAN SERVICES DEPARTMENT[441](cont'd)

c. Up to 10 percent of the direct and purchased administration expenditure total identified in the region's current approved annual service and budget plan may be claimed as an encumbrance.

d. Requests to encumber funds toward multiyear projects with the purpose to provide access to required core services shall be limited to actual needs for the current fiscal year.

25.13(7) Encumbrance reporting and approval.

a. The region shall submit a detailed accounting of encumbered funds to the department on or before July 31 on forms specified by the department.

(1) The department may request additional information to determine whether the region's reported contracts and binding commitments qualify as acceptable encumbrances.

(2) A plan for expenditure, including a description of activities related to required core services, shall accompany documentation for multiyear projects.

b. By August 31, the department shall notify the region, in writing, of the decision and the accepted amount to be considered encumbered. The decision of the department is final.

c. Regional commitments that are denied as acceptable encumbrances shall be included in the calculation of the ending fund balance for the previous fiscal year.

d. Encumbrances that are not fulfilled within the time frames specified in subrule 25.13(6) shall be included in the ending fund balance amount.

ITEM 3. Amend paragraph **25.14(3)"a"** as follows:

a. Methods for pooling, managing and expending funds under control of the regional administrative entity. If the agreement does not provide for pooling of the participating county moneys in a single fund, the agreement shall specify how the participating county moneys will be subject to the control of the regional administrative entity.

ITEM 4. Amend rule 441—25.22(225C) as follows:

441—25.22(225C) Incentive fund application, approval, and reporting.

25.22(1) Application for regional incentive funds. A mental health and disability services region must submit an application on forms specified by the department with required supporting documentation. An application to receive regional incentive funds must meet the following requirements:

~~a. The mental health and disability services region shall submit the application with supporting documentation electronically to the department by 4:30 p.m. on November 15, 2021, for state fiscal year 2022 funding.~~

~~b. The mental health and disability services region shall submit the application with supporting documentation electronically to the department by 4:30 p.m. on November 15, 2022, for state fiscal year 2023 funding.~~

a. The region shall submit the application with supporting documentation electronically to the department by 4:30 p.m. on November 15 of the state fiscal year in which funding is requested.

~~e. b. The application shall be complete and signed by the chairperson of the mental health and disability services region regional governing board and regional chief executive officer.~~

~~d. c. Application supporting documentation shall include evidence to demonstrate compliance with subrule 25.22(2).~~

25.22(2) Applicant conditions. To receive funding in state fiscal years 2022 and 2023, the mental health and disability services region, a region must submit to the department sufficient data to demonstrate that the region has met the standards in the region's performance-based contract outlined in rule 441—25.23(331). Additionally, the region must meet the following conditions:

~~a. The mental health and disability services region must be in compliance with the regional service system management plan as defined in Iowa Code section 331.393.~~

~~b. Applicants for state fiscal year 2022 funding must have an ending balance in the region's combined services fund equal to or less than 40 percent of the actual expenditures in state fiscal year 2020.~~

HUMAN SERVICES DEPARTMENT[441](cont'd)

~~*c.* Applicants for state fiscal year 2023 funding must have an ending balance in the region's combined services fund equal to or less than 20 percent of the actual expenditures in state fiscal year 2021.~~

b. The region's ending fund balance in the fiscal year that commenced two years prior to the year of application shall meet the ending balance threshold in accordance with Iowa Code section 225C.7A.

~~*d. c.* The mental health and disability services region must need incentive funds for one or more of the following circumstances:~~

~~(1) Operating in a If the region has an operating deficit, and to reimburse the region for a reduction in available funding for core services as the result of the reduction and elimination of the levy.~~

~~(2) To incentivize quality core services that meet or exceed the defined outcomes in the performance-based contract.~~

~~(3) To support regional efforts to fund non-core services that support the defined outcomes of core services in the performance-based contract.~~

~~(2) (4) Support For support of non-core services to maintain individuals in a community setting or reduce the risk that individuals needing services and supports would be placed in more restrictive, higher-cost settings.~~

25.22(3) to 25.22(5) No change.

This rule is intended to implement Iowa Code section 225C.7A as amended by 2021 Iowa Acts, Senate File 619.

ITEM 5. Adopt the following new rule 441—25.23(331):

441—25.23(331) Performance-based contract. The mental health and disability services region shall enter into a performance-based contract with the department to administer the service system in accordance with Iowa Code section 225C.7A. The performance-based contract shall include but not be limited to the following requirements:

25.23(1) The department will approve, deny, or revise each region's annual service and budget plan in accordance with rule 441—25.19(331).

25.23(2) The region will provide access to all core services under Iowa Code sections 331.397 and 331.397A and in accordance with this chapter.

25.23(3) The region will utilize all federal government funding, including Medicaid funding, third-party payment sources, and other nongovernmental funding, prior to using regional service payments.

25.23(4) The department will perform an annual review of the region's administrative costs.

25.23(5) The department will establish outcome improvement goals for populations served by the region, including but not limited to:

a. Decreases in emergency department visits.

b. Improved use of mobile crisis response and jail diversion programs.

c. Improved employment-based outcomes.

25.23(6) The department will take steps to address a region's noncompliance with the contract in accordance with Iowa Code section 331.389.

This rule is intended to implement Iowa Code section 225C.7A.

[Filed 2/17/22, effective 5/1/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6224C**HUMAN SERVICES DEPARTMENT[441]****Adopted and Filed****Rule making related to outdated language**

The Human Services Department hereby amends Chapter 34, “Alternative Diagnostic Facilities,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 218.4.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 225C.14.

Purpose and Summary

The Department is revising outdated language used when a person is being assessed for admission to a state mental health institution on a voluntary basis. The outdated language will be replaced with more current, person-centered language to be consistent with best practices for persons with mental illness.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 29, 2021, as **ARC 6114C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Council on Human Services on February 10, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on May 1, 2022.

HUMAN SERVICES DEPARTMENT[441](cont'd)

The following rule-making actions are adopted:

ITEM 1. Amend rule ~~441—34.1(225C)~~, definitions of “Alternative diagnostic facility” and “Mental health professional,” as follows:

“Alternative diagnostic facility” means any organization or individual designated by the county board of supervisors to implement the preliminary diagnostic evaluation policy (Iowa Code section 225C.14) when a county is not served by a community mental health center capable of the diagnostic evaluations. An alternative diagnostic facility may be the outpatient service of a state mental health institute or any organization or individual able to furnish the requisite skills and to meet the standards set forth in this chapter by the mental health and ~~mental retardation~~ disability services commission.

“Mental health professional” means ~~a person who~~ an individual who has either of the following qualifications:

1. ~~Holds at least a master’s degree in a mental health field, including, but not limited to, psychology, counseling and guidance, nursing and social work; or is a doctor of medicine (M.D.) or doctor of osteopathic medicine and surgery (D.O.); and~~

2. ~~Holds a current Iowa license when required by Iowa licensure law; and~~

3. ~~Has at least two years of postdegree experience, supervised by a mental health professional, in assessing mental health problems and needs of individuals and in providing appropriate mental health services for those individuals.~~

1. The individual meets all of the following requirements:

• Holds at least a master’s degree in a mental health field, including, but not limited to, psychology, counseling, guidance, nursing, or social work; or is an advanced registered nurse practitioner, a physician assistant, or a physician and surgeon; or is an osteopathic physician and surgeon.

• Holds a current Iowa license if practicing in a field covered by an Iowa licensure law.

• Has at least two years of postdegree clinical experience, supervised by another mental health professional, in assessing mental health needs and problems and in providing appropriate mental health services.

2. The individual holds a current Iowa license if practicing in a field covered by an Iowa licensure law and is a psychiatrist, an advanced registered nurse practitioner who holds national certification in psychiatric mental health care and is licensed by the board of nursing, a physician assistant practicing under the supervision of a psychiatrist, or an individual who holds a doctorate degree in psychology and is licensed by the board of psychology.

ITEM 2. Amend subrule 34.2(2) as follows:

34.2(2) ~~Assist the court and, insofar as possible, provide or designate a physician or mental health professional to perform a prehearing examination of a respondent required under Iowa Code section 229.8, subsection 3, paragraph “b.”~~ 229.8(3) “b.”

ITEM 3. Amend subrule 34.3(7) as follows:

34.3(7) ~~The facility shall comply with procedures for uniform reporting of statistical data as established by the division of mental health, mental retardation, and developmental disabilities and disability services.~~

ITEM 4. Amend subrule 34.3(8) as follows:

34.3(8) ~~The facility shall comply with the standards for the maintenance and operation of public and private facilities offering services to mentally ill persons with mental illness as adopted by the mental health and mental retardation~~ disability services commission.

[Filed 2/13/22, effective 5/1/22]

[Published 3/9/22]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6222C**HUMAN SERVICES DEPARTMENT[441]****Adopted and Filed****Rule making related to diabetic education programs**

The Human Services Department hereby amends Chapter 78, “Amount, Duration and Scope of Medical and Remedial Services,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 249A.4.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 249A.4.

Purpose and Summary

This rule making eliminates the “once per lifetime” policy for diabetic education for Medicaid members. This change will allow a Medicaid member to receive additional timely education in order to manage the Medicaid member’s diabetes. In many cases, once-in-a-lifetime education is not adequate for treatment, especially with the prevalence of diabetes in the national population. The Department has already been paying for more than one education series for some members, and this change will allow the rule to match the current practice. Members will continue to need a provider’s referral for the education.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 15, 2021, as **ARC 6081C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Council on Human Services on February 10, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

HUMAN SERVICES DEPARTMENT[441](cont'd)

Effective Date

This rule making will become effective on May 1, 2022.

The following rule-making action is adopted:

Amend subparagraph **78.31(4)“f”(6)** as follows:

(6) Restrictions and limitations on payment. Medicaid will pay for a diabetic self-management education program. Diabetic education programs will include follow-up assessments at 3 and 12 months without charge. ~~A complete diabetic education program is payable once in the lifetime of a recipient.~~

[Filed 2/13/22, effective 5/1/22]

[Published 3/9/22]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6226C

HUMAN SERVICES DEPARTMENT[441]

Adopted and Filed

**Rule making related to decrease in minimum occupancy limitation
used for reimbursement calculation**

The Human Services Department hereby amends Chapter 81, “Nursing Facilities,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 249A.4.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 249A.4 and 2021 Iowa Acts, House File 891, division VII, section 39.

Purpose and Summary

The current rule requires that patient days in nursing facilities for purposes of the calculation of per diem for administrative, environmental, and property expenses shall be the greater of actual patient days or 85 percent of the licensed capacity of the facility. In accordance with 2021 Iowa Acts, House File 891, division VII, section 39, these amendments decrease the minimum occupancy limitation to 70 percent because of concerns that providers will continue to experience a decrease in nursing facility occupancy due to the public health emergency. The cost reports for 2022 fiscal year ending (FYE) will be used in the rebase for state fiscal year (SFY) 2024 rates.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 15, 2021, as **ARC 6097C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Council on Human Services on February 10, 2022.

HUMAN SERVICES DEPARTMENT[441](cont'd)

Fiscal Impact

These amendments are for SFY 2024 and SFY 2025, and the cost report data are not yet available. Therefore, the fiscal impact cannot be determined. There will be no impact in SFY 2022 or SFY 2023.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on May 1, 2022.

The following rule-making actions are adopted:

ITEM 1. Amend subparagraph **81.6(16)“a”(1)** as follows:

(1) Non-state-owned nursing facilities. Effective December 1, 2009, patient days for purposes of the computation of administrative, environmental, and property expenses for non-state-owned facilities shall be inpatient days as determined in subrule 81.6(7) or 85 percent of the licensed capacity of the facility, whichever is greater. For the reimbursement period beginning July 1, 2023, and ending June 30, 2025, patient days for purposes of the computation of administrative, environmental, and property expenses for non-state-owned facilities shall be inpatient days as determined in subrule 81.6(7) or 70 percent of the licensed capacity of the facility, whichever is greater. Patient days for purposes of the computation of all other expenses shall be inpatient days as determined in subrule 81.6(7).

ITEM 2. Amend numbered paragraph **81.6(16)“h”(9)“1”** as follows:

1. Effective December 1, 2009, total patient days shall be determined using the most current submitted financial and statistical report or using the estimated total patient days as reported in the request for the add-on. For purposes of calculating the add-on, total patient days shall be the greater of the estimated annual total patient days or 85 percent of the facility's estimated licensed capacity. For the period beginning July 1, 2023, and ending June 30, 2025, patient days for purposes of the computation of administrative, environmental, and property expenses for non-state-owned facilities shall be inpatient days or the minimum occupancy of 70 percent of the licensed capacity of the facility, whichever is greater.

ITEM 3. Amend numbered paragraph **81.6(16)“h”(12)“1”** as follows:

1. Effective December 1, 2009, for purposes of recalculating the capital cost per diem instant relief add-on, total patient days shall be based on the greater of the number of actual patient days during the period in which the add-on was paid or 85 percent of the facility's actual licensed bed capacity during the period in which the add-on was paid. For the period beginning July 1, 2023, and ending June 30, 2025, patient days for purposes of the computation of administrative, environmental, and property expenses for non-state-owned facilities shall be inpatient days or the minimum occupancy of 70 percent of the licensed capacity of the facility, whichever is greater.

HUMAN SERVICES DEPARTMENT[441](cont'd)

ITEM 4. Amend rule **441—81.6(249A)**, implementation sentence, as follows:
This rule is intended to implement Iowa Code sections 249A.4 and 249A.16, ~~Iowa Code chapter and chapters 249K, and 2009 Iowa Code Supplement chapter 249L.~~

ITEM 5. Amend rule **441—81.23(249A)**, implementation sentence, as follows:
This rule is intended to implement Iowa Code ~~Supplement~~ section 249A.30A.

[Filed 2/13/22, effective 5/1/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6225C

HUMAN SERVICES DEPARTMENT[441]

Adopted and Filed

Rule making related to Iowa juvenile home

The Human Services Department hereby rescinds Chapter 101, "Iowa Juvenile Home," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 218.4.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 218.4.

Purpose and Summary

The Department is eliminating Chapter 101 in its entirety, because the Iowa Juvenile Home is closed. Administrative rules on this children's institution are no longer needed.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 29, 2021, as **ARC 6109C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Council on Human Services on February 10, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

HUMAN SERVICES DEPARTMENT[441](cont'd)

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on May 1, 2022.

The following rule-making action is adopted:

Rescind and reserve **441—Chapter 101**.

[Filed 2/13/22, effective 5/1/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6230C

PUBLIC SAFETY DEPARTMENT[661]

Adopted and Filed

Rule making related to complaints and the filing and investigation thereof and requests for personal information

The Public Safety Department hereby amends Chapter 35, "Complaints Against Employees," and Chapter 80, "Public Records and Fair Information Practices," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code chapters 22 and 80F.

State or Federal Law Implemented

This rule making implements, in whole or in part, 2021 Iowa Acts, Senate File 342, sections 17 through 22.

Purpose and Summary

This rule making revises the definition of a complaint and the process to file a complaint to align with 2021 Iowa Acts, Senate File 342, sections 17 through 22, including requirements that written complaints be signed. This rule making also conforms the subsequent investigation of complaints and the release of personal information to the requirements of 2021 Iowa Acts, Senate File 342, sections 17 through 22.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on November 17, 2021, as **ARC 6052C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department on December 22, 2021.

PUBLIC SAFETY DEPARTMENT[661](cont'd)

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Pursuant to the provisions of rule 661—10.222(17A), the Department does not have authority to waive requirements established by statute. Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to the provisions of rule 661—10.222(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making actions are adopted:

ITEM 1. Amend rule 661—35.1(80) as follows:

661—35.1(80) Definitions. The following definitions apply to rules 661—35.1(80) through 661—35.3(80) ~~661—35.4(80)~~:

“*Complaint*” means ~~an a formal written allegation by any person of a~~ signed by the complainant, or a signed written statement by an officer receiving an oral complaint stating the complainant's allegation regarding, but not limited to, breach of rules or orders, a violation of the law, or other misconduct by an employee of the department.

“*Department*” means the Iowa department of public safety.

“*Employee*” means any employee of the department.

ITEM 2. Amend rule 661—35.2(80) as follows:

661—35.2(80) Filing a complaint.

35.2(1) Any person may file a complaint against an employee or employees by:

a. Mailing a signed complaint in writing to the professional standards bureau, at the following address:

Professional Standards Bureau
Iowa Department of Public Safety
~~State Public Safety Headquarters~~ Oran Pape State Office Building
215 East 7th Street
Des Moines, Iowa 50319

Complaints in writing may be mailed or submitted to any office of the department.

b. Calling the professional standards bureau at (515)725-6270, or by calling any office of the department.

c. Completing the commendation/complaint form online on the website of the department.

PUBLIC SAFETY DEPARTMENT[661](cont'd)

NOTE: The complaint form may be found at the following location: [stateofiowa.seamlessdocs.com/f/PSB Complaint Form](http://stateofiowa.seamlessdocs.com/f/PSB_Complaint_Form).

35.2(2) The complainant should describe as specifically and completely as possible the nature of the complaint and the details of any incident or incidents which give rise to the complaint.

35.2(3) Each complaint received will be recorded and investigated.

35.2(4) The complainant need not be identified if a statement is received as an oral complaint. Anonymous complaints will be accepted and investigated as thoroughly as possible.

ITEM 3. Adopt the following new rule 661—35.4(80):

661—35.4(80) Investigation requirements of agency.

35.4(1) *Recordkeeping and release of information.* The department shall keep confidential an officer's statement, recordings or transcripts of any interviews or disciplinary proceedings, and any complaints made against an officer unless otherwise provided by law or with the officer's written consent. Nothing in this rule prohibits the release of an officer's statement, recordings or transcripts of any interviews or disciplinary proceedings, and any complaints made against an officer to the officer or the officer's legal counsel upon the officer's request.

35.4(2) *Training of investigating employee.* The department shall provide training to any officer or supervisor who performs or supervises an investigation under Iowa Code section 80F.1, and shall maintain documentation of any related training. The Iowa law enforcement academy shall adopt minimum training standards consistent with this rule, including training standards concerning interviewing an officer subject to a complaint.

35.4(3) *Right of officer to personnel file and records.* Upon written request, the department shall provide to the requesting officer or the officer's legal counsel a copy of the officer's personnel file and training records regardless of whether the officer is subject to a formal administrative investigation at the time of the request.

This rule is intended to implement Iowa Code sections 80F.1(20) through 80F.1(22).

ITEM 4. Amend rule 661—80.15(22,80F) as follows:

661—80.15(22,80F) Release of official photographs of or personal information about employees.

80.15(1) An official photograph of or personal information about an employee of the department who is an officer as defined in Iowa Code section 80F.1 shall be released only if either of the following is true:

a. The employee has signed a written release giving permission to release the photograph or personal information; or

b. A request has been received to release the photograph or personal information pursuant to Iowa Code chapter 22.

80.15(2) A photograph of or personal information about any employee of the department shall not be released if its release could jeopardize an ongoing investigation or place the employee at risk.

80.15(3) An officer's personal information, including but not limited to the officer's home address, personal telephone number, personal electronic mail address, date of birth, social security number, and driver's license number, shall be confidential and redacted prior to a record's release to the public by the department.

[Filed 2/15/22, effective 4/13/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6240C**REVENUE DEPARTMENT[701]****Adopted and Filed****Rule making related to tuition and textbook tax credit**

The Revenue Department hereby amends Chapter 42, “Adjustments to Computed Tax and Tax Credits,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 422.68.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 422.12 as amended by 2021 Iowa Acts, House File 847, sections 7 and 8.

Purpose and Summary

This rule making implements statutory changes related to eligibility for the tuition and textbook tax credit and the rate of the credit. 2021 Iowa Acts, House File 847, increased the tax credit rate to 25 percent of the first \$2,000 of eligible expenses from 25 percent of the first \$1,000 of eligible expenses for tax years beginning on or after January 1, 2021. The legislation also expanded eligibility for the credit to taxpayers whose dependents receive private instruction. Previously, the credit was limited to taxpayers whose dependents attend a public or private elementary or secondary school in Iowa.

The rule making clarifies that a tuition or textbook expense must be required for attendance by an elementary or secondary school in Iowa or for attendance for dependents receiving private instruction to be eligible for the credit. The rule making provides a list of examples of tuition items that may be eligible for the credit. The rule making also adds examples of extracurricular expenses that will or will not qualify for the credit.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on October 20, 2021, as **ARC 5990C**. A public hearing was held on November 15, 2021, via videoconference.

The Department received four public comments. The comments all stated that the Department’s proposed amendments were contrary to the intent of the statutory change, were not practical to administer, and may have been confusing to taxpayers.

Several changes from the Notice have been made. Language specifically requiring tuition or textbook expenses to be those required by an accredited elementary or secondary school in subrules 42.4(1) and 42.4(2) has been removed. Also, language was added in subrule 42.4(3) to clarify that expenses in the enumerated examples will qualify for the credit both for taxpayers whose dependents attend school and for taxpayers whose dependents receive private instruction. Additionally, two references to 2021 Iowa Acts, House File 847, have been removed since the amendments in the legislation have been codified in the 2022 Iowa Code.

Adoption of Rule Making

This rule making was adopted by the Department on February 16, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa beyond that of the legislation it is intended to implement.

REVENUE DEPARTMENT[701](cont'd)

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—7.28(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making action is adopted:

Amend rule 701—42.4(422) as follows:

701—42.4(422) Tuition and textbook credit for expenses incurred for dependents attending grades kindergarten through 12 in Iowa. ~~Effective for tax years beginning on or after January 1, 1998, taxpayers~~ Taxpayers who pay tuition and textbook expenses of dependents who attend grades kindergarten through 12 in an Iowa school may receive a tax credit of 25 percent of up to ~~\$1,000~~ \$2,000 (\$1,000 for tax years beginning prior to January 1, 2021) of qualifying expenses for each dependent ~~attending who receives private instruction, as defined in Iowa Code section 422.12(1) "c," or attends an elementary or secondary school located in Iowa. A taxpayer whose dependent receives private instruction is only eligible for the tuition and textbook credit for tax years beginning on or after January 1, 2021.~~

~~In~~ For a taxpayer whose dependent attends an elementary or secondary school, in order for the taxpayer to qualify for the tax credit for tuition and textbooks tuition and textbook credit, the elementary school or secondary school that the dependent is attending must meet the standards for accreditation of public and nonpublic schools in Iowa provided in Iowa Code section 256.11. In addition, the school the dependent is attending must not be operated for profit and must adhere to the provisions of the United States Civil Rights Act of 1964, and the provisions of Iowa Code chapter 216, which is known as the Iowa civil rights Act of 1965. ~~The following definitions and criteria apply to the determination of the tax credit for amounts paid by the taxpayer for tuition and textbooks for a dependent attending an elementary or secondary school in Iowa:~~

42.4(1) Tuition. For purposes of the tuition and textbook tax credit, "tuition" means any charge ~~made by an elementary or secondary school~~ for the expense of personnel, buildings, equipment, and materials other than textbooks, and other expenses of elementary or secondary schools which relate to the teaching of only those subjects that are legally and commonly taught in public elementary or secondary schools in Iowa. "Tuition" includes charges by a qualified school for summer school classes or for private instruction of a child who is physically unable to attend classes at the site of the elementary or secondary school. Expenses paid by a taxpayer, including a taxpayer whose dependent receives private instruction, for equipment and materials other than textbooks must be for equipment and materials required for attendance in Iowa in order to be eligible for the tuition and textbook tax credit. The following are examples of equipment and materials that may qualify for the credit provided they are required for attendance in school or for providing private instruction:

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- a. Pocket folders and binders.
- b. Spiral notebooks and loose-leaf paper.
- c. Writing utensils, including pens, pencils, highlighters, colored pencils, crayons, and markers.
- d. Backpacks.
- e. Rulers.
- f. Calculators.
- g. Scissors.
- h. Computers, including rental fees paid to a school for the use of a computer.

“Tuition” does not include charges or fees which relate to the teaching of religious tenets, doctrines, or worship in cases where the purpose of the teaching is to inculcate the religious tenets, doctrines, or worship. In addition, “tuition” does not include amounts paid to an individual or other entity for ~~private instruction of a dependent who attends an elementary or secondary school in Iowa.~~ instruction that is supplementary to elementary or secondary school instruction or private instruction. Amounts paid to an elementary or secondary school or to a person providing private instruction for meals, lodging, or clothing for a dependent do not qualify for the tax credit for tuition. “Tuition” also does not include expenses for Internet services or Internet upgrades to facilitate remote learning.

~~Amounts paid to an individual or organization for home schooling of a dependent or the teaching of a dependent outside of an elementary or secondary school may not be claimed for purposes of the tuition and textbook tax credit.~~

42.4(2) Textbooks. For purposes of the tuition and textbook tax credit, “textbooks” means books and other instructional materials used ~~in elementary and secondary schools in Iowa~~ to teach only those subjects legally and commonly taught in public elementary and secondary schools in Iowa. “Textbooks” includes fees or charges ~~by the elementary or secondary school~~ for required supplies or materials for classes in art, home economics, shop₂, or similar courses. “Textbooks” also includes books and materials used for extracurricular activities, such as sporting events, musical events, dramatic events, speech activities, driver’s education, or programs of a similar nature.

“Textbooks” does not include amounts paid for books or other instructional materials used in the teaching of religious tenets, doctrines, or worship, in cases where the purpose of the teaching is to inculcate the religious tenets, doctrine, or worship. ~~“Textbooks” also~~ For tax years beginning before January 1, 2021, “textbooks” does not include amounts paid for books or other instructional materials used in teaching a dependent subjects in the home or outside of an elementary or secondary school. For tax years beginning on or after January 1, 2021, “textbooks” does include amounts paid for books or other instructional materials used in teaching a dependent subjects in the home or outside of an elementary or secondary school if that dependent is receiving private instruction.

42.4(3) Extracurricular activities. For purposes of the tuition and textbook tax credit, amounts paid for dependents to participate in or to attend extracurricular activities may be claimed as part of the tuition and textbook tax credit. “Extracurricular activities” includes sporting events, musical events, dramatic events, speech activities, driver’s education ~~if provided at a school~~, and programs of a similar nature.

a. The following are specific examples of expenditures related to a dependent’s participation in or attendance at extracurricular activities offered by a qualifying school or offered in the course of private instruction that may qualify for the tuition and textbook tax credit:

- (1) Fees for participation in ~~school~~ sports activities.
- (2) Fees for field trips.
- (3) Rental fees for instruments for ~~school~~ bands or orchestras but not rental fees in rent-to-own contracts.
- (4) Driver’s education fees, ~~if paid to a school.~~
- (5) Cost of activity tickets or admission tickets to ~~school~~ sporting, music₂, and dramatic events.
- (6) Fees for events such as homecoming, winter formal, prom, or similar events.
- (7) Rental of costumes for ~~school~~ plays.
- (8) Purchase of costumes for ~~school~~ plays if the costumes are not suitable for street wear.
- (9) Purchase of track shoes, football shoes, or other athletic shoes with cleats, spikes, or other features that are not suitable for street wear.

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(10) Costs of tickets or other admission fees to attend banquets or buffets for ~~school~~ academic or athletic awards.

(11) Trumpet grease, woodwind reeds, guitar picks, violin strings, and similar types of items for maintenance of instruments used in ~~school~~ bands or orchestras.

(12) Band booster club or athletic booster club dues, but only if dues are for the dependent attending the school and not the parent or adult.

(13) Rental of a formal gown or a tuxedo for ~~school~~ a dance or other school similar event.

(14) Dues paid to ~~school~~ clubs or ~~school-sponsored~~ organizations such as chess club, photography club, debate club, or similar organizations.

(15) Amounts paid for music that will be used in ~~school~~ music programs, including vocal music programs.

(16) Fees paid for required general materials for shop class, agriculture class, home economics class, or auto repair class and general fees for equivalent classes.

(17) Fees for a dependent's bus trips to attend school or private instruction if paid to the school or the provider of private instruction.

(18) Costs of band or athletic uniforms.

(19) Costs of instrument lessons.

b. The following are specific examples of expenditures related to a dependent's participation in or attendance at extracurricular activities offered by a school or offered in the course of private instruction that will not qualify for the tuition and textbook credit.

(1) Purchase of a musical instrument used in a ~~school~~ band or orchestra.

(2) Purchase of basketball shoes or other athletic shoes that are readily adaptable to street wear.

(3) Amounts paid for special testing such as SAT or PSAT, and for Iowa talent search tests.

(4) Payments for senior trips, band trips, and other overnight ~~school~~ activity trips which involve payment for meals and lodging.

(5) Fees paid to K-12 schools or to a private instructor for courses for college credit.

(6) Amounts paid for T-shirts, sweatshirts, and similar clothing that is appropriate for street wear.

(7) Amounts paid for special programs at universities and colleges ~~for high school students~~.

~~(8) Payment for private instrumental lessons, voice lessons or similar lessons.~~

~~(9) (8)~~ Amounts paid for a ~~school~~ yearbook, annual, or class ring.

~~(10) (9)~~ Fees for special materials paid for shop class, agriculture class, auto repair class, home economics class, and similar classes. For purposes of this paragraph, "special materials" means materials used for personal projects of the dependents, such as materials to make furniture for personal use, automobile parts for family automobiles, and other materials for projects for personal or family benefit.

(10) Purchase of a formal gown or a tuxedo for a dance or similar event.

(11) Amounts paid for sports-related social events.

42.4(4) No change.

This rule is intended to implement Iowa Code section 422.12.

[Filed 2/18/22, effective 4/13/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6227C**REVENUE DEPARTMENT[701]****Adopted and Filed****Rule making related to tax credit for volunteer fire fighters, volunteer emergency medical services personnel, and reserve peace officers**

The Revenue Department hereby amends Chapter 42, “Adjustments to Computed Tax and Tax Credits,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 422.68.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 422.12 and 2021 Iowa Acts, Senate File 619, sections 73, 74, and 75.

Purpose and Summary

This rule making is intended to implement statutory changes to the tax credit amount for volunteer fire fighters, volunteer emergency medical services personnel, and reserve peace officers. 2021 Iowa Acts, Senate File 619, division XXIII, increased the amount of the credit from \$100 per year to \$250 per year for tax years beginning on or after January 1, 2021.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on October 20, 2021, as **ARC 5987C**. No public comments were received. One change from the Notice has been made. A reference to 2014 Iowa Acts, House File 2459, and a reference to 2021 Iowa Acts, Senate File 619, have been removed because the legislation has been codified in Iowa Code chapter 422.

Adoption of Rule Making

This rule making was adopted by the Department on November 24, 2021.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa beyond that of the legislation it is intended to implement.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 701—7.28(17A).

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s

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meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making action is adopted:

Amend rule 701—42.49(422) as follows:

701—42.49(422) Volunteer fire fighter, volunteer emergency medical services personnel member, and reserve peace officer tax credit. ~~Effective for tax years beginning on or after January 1, 2013, a tax credit is available for individual income tax for volunteer fire fighters and volunteer emergency medical services (EMS) personnel.~~ Effective for tax years beginning on or after January 1, 2014, a tax credit is available for individual income tax for volunteer fire fighters, volunteer emergency medical services (EMS) personnel members, and reserve peace officers.

42.49(1) Definitions. The following definitions are applicable to this rule:

“*Emergency medical services personnel member*” or “*EMS personnel member*” means an emergency medical care provider, as defined in Iowa Code section 147A.1, who is certified as a first responder in accordance with Iowa Code chapter 147A. For tax years beginning on or after January 1, 2014, “*emergency medical services personnel member*” or “*EMS personnel member*” also includes an individual who is a paid employee of an emergency medical services program and who is also a volunteer emergency medical services personnel member in a city, county₂ or area governed by an agreement pursuant to Iowa Code chapter 28E.

“*Reserve peace officer*” means a reserve peace officer as defined in Iowa Code section 80D.1A who has met the minimum state training standards established by the Iowa law enforcement academy in accordance with Iowa Code chapter 80D.

“*Volunteer fire fighter*” means a volunteer fire fighter, as defined in Iowa Code section 85.61, who has met the minimum training standards established by the fire service training bureau pursuant to Iowa Code chapter 100B. For tax years beginning on or after January 1, 2014, “*volunteer fire fighter*” means an individual who is an active member of an organized volunteer fire department in Iowa or is performing services as a volunteer fire fighter for a municipality, township₂ or benefited fire district at the request of the chief or other person in command and who has met the minimum training standards established by the fire service training bureau pursuant to Iowa Code chapter 100B. For tax years beginning on or after January 1, 2014, a volunteer fire fighter also includes an individual who is a paid employee of a fire department and who is also a volunteer fire fighter in a city, county₂ or area governed by an agreement pursuant to Iowa Code chapter 28E.

42.49(2) Calculation of the credit.

a. ~~The credit is equal to \$50 for the tax year beginning January 1, 2013, if the volunteer fire fighter or volunteer EMS personnel was a volunteer for the entire year. The credit is equal to \$100 for tax years beginning on or after January 1, 2014, if the volunteer fire fighter, volunteer EMS personnel or reserve peace officer was a volunteer for the entire year.~~ \$250 for tax years beginning on or after January 1, 2021, if the volunteer fire fighter, volunteer EMS personnel member, or reserve peace officer was a volunteer for the entire year. The credit is equal to \$50 for tax year 2013 and \$100 for tax years 2014 through 2020.

b. ~~If the individual was not a volunteer fire fighter or volunteer EMS personnel for the entire 2013 calendar year, the \$50 credit is prorated based on the number of months the individual was a volunteer. Beginning in the 2014 calendar year, if the individual was not a volunteer fire fighter, volunteer EMS personnel or reserve peace officer for the entire year, the \$100 credit is prorated based on the number of months the individual was a volunteer.~~ fire fighter, volunteer EMS personnel member, or reserve peace officer for the entire calendar year, the credit is prorated based on the number of months the individual was a volunteer. If the individual was a volunteer during any part of a month, the individual will be considered a volunteer for the entire month. The amount of credit will be rounded to the nearest dollar.

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EXAMPLE: An individual became a volunteer fire fighter on April 15, ~~2013~~ 2021, and remained a volunteer for the rest of calendar year ~~2013~~ 2021. The individual is considered a volunteer for nine months of ~~2013~~ 2021. The tax credit for ~~2013~~ 2021 is equal to \$~~38~~ \$188 (~~\$50~~ \$250 multiplied by 9/12 equals ~~\$37.50~~ \$187.50; rounding to the nearest dollar results in a \$~~38~~ \$188 credit).

c. If an individual ~~is both~~ holds more than one volunteer position as a volunteer fire fighter, and a volunteer EMS personnel member, or a reserve peace officer during the same month, a credit can be claimed for only one volunteer position for that month. ~~Therefore~~ For example, if an individual was both a volunteer fire fighter and volunteer EMS personnel member for all of ~~2013~~ calendar year 2021, the tax credit will equal ~~\$50~~ \$250. ~~In addition, beginning in calendar year 2014, if a reserve peace officer is also either a volunteer fire fighter or a volunteer EMS personnel, a credit can be claimed for only one volunteer position for that month.~~

42.49(3) Verification of eligibility for the tax credit. An individual is required to have a written statement from the fire chief or other appropriate supervisor verifying that the individual was a volunteer fire fighter or volunteer EMS personnel member for the months for which the tax credit is being claimed. ~~Beginning with the 2014 tax year, an~~ An individual who is a reserve peace officer must have a written statement from the chief of police, sheriff, commissioner of public safety, or other appropriate supervisor verifying that the individual was a reserve peace officer for the months for which the tax credit is being claimed. The written statement does not have to be attached to a tax return claiming the credit. However, the individual department may be requested to request that the individual provide the written statement upon request by the department.

This rule is intended to implement Iowa Code section 422.12 as amended by 2014 Iowa Acts, House File 2459.

[Filed 12/17/21, effective 4/13/22]

[Published 3/9/22]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6219C

TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rule making related to motor vehicle registration and titling and window tinting

The Transportation Department hereby amends Chapter 400, "Vehicle Registration and Certificate of Title," and Chapter 450, "Motor Vehicle Equipment," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 307.12 and 321.438.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 321.438 as amended by 2021 Iowa Acts, Senate File 342, section 53; section 322.19A as amended by 2021 Iowa Acts, Senate File 444, section 4; and section 633A.4604 as amended by 2021 Iowa Acts, Senate File 173, section 1.

Purpose and Summary

This rule making updates Chapters 400 and 450 to conform the rules with 2021 legislation. The amendments incorporate legislative changes to the vehicle registration and titling process, as well as to motor vehicle equipment requirements. 2021 Iowa Acts, Senate File 173, section 1, amended Iowa Code section 633A.4604 by clarifying the required contents of a certification of trust, which is created for the purpose of demonstrating the existence of a trust and can be used by the Department when registering or

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titling a vehicle subject to a trust. 2021 Iowa Acts, Senate File 444, section 4, amended Iowa Code section 322.19A by eliminating a provision from the Iowa Code that would have reduced by \$25 the documentary fee a person pays when purchasing a vehicle from a dealer upon the Department's implementation of the Electronic Registration and Titling (ERT) system. 2021 Iowa Acts, Senate File 342, section 53, amended Iowa Code section 321.438 by exempting persons operating motor vehicles owned or leased by federal, state or local law enforcement agencies from Iowa's window tinting laws.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 29, 2021, as **ARC 6118C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department on February 8, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa beyond any impact anticipated by the legislation.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 761—Chapter 11.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making actions are adopted:

ITEM 1. Amend paragraph **400.3(17)“d”** as follows:

d. In addition to the documentary fee authorized under Iowa Code section 322.19A, an end user that is a motor vehicle dealer licensed by the department under Iowa Code chapter 322 or 322C may pass and charge to a customer the fees or costs incurred by the motor vehicle dealer to submit the customer's application through an ERT service provider's services as a third-party cost or fee ~~under Iowa Code section 322.19A(1)~~, provided that the motor vehicle dealer discloses the charge to the customer before submitting the application. The documentary fee charged by the motor vehicle dealer shall not exceed the amount authorized by Iowa Code section ~~322.19A(3)~~ 322.19A. Neither the ERT service provider nor the motor vehicle dealer shall charge a customer for creation or delivery of a “registration applied for” card.

TRANSPORTATION DEPARTMENT[761](cont'd)

ITEM 2. Amend subrule 400.4(9) as follows:

400.4(9) Applications in the name of trusts. An application in the name of a trust shall be accompanied by a copy of all documents creating or otherwise affecting the trust or by the certification of trust as defined in Iowa Code section 633A.4604.

a. The certification of trust may be signed by any trustee or the attorney for any trustee.

b. The application shall be signed by the number of trustees as specified in the trust agreement ~~or the certification of trust~~, and the applicant shall provide the department with the document ~~or the certification of trust~~ specifying the required signatories for the trust. ~~If neither the trust nor the certification of trust specifies the required signatories, the application may be signed by any trustee or attorney for the trustee. Each signature on the application shall be followed by the words “as trustee” or “as attorney for the trustee.”~~

c. If a certification of trust is provided, one of the following shall apply:

(1) Any currently acting trustee may sign the application if the certification of trust states that such trustee may act individually.

(2) A majority of the trustees must sign the application if the certification of trust states that the trustees must act by majority decision.

(3) All currently acting trustees must sign the application if the certification of trust states that the trustees must act by unanimous decision.

d. A certification of trust must meet the requirements of Iowa Code section 633A.4604, including but not limited to providing the names of all the currently acting trustees. If there are two or more currently acting trustees, the certification of trust must state whether the trustees may act individually, whether the trustees must act by majority decision or whether the trustees must act by unanimous decision. If the certification of trust does not meet said requirements, the certification of trust will be considered invalid for the purposes of the application.

e. Each signature on the application shall be followed by the words “as trustee.”

ITEM 3. Amend rule ~~761—400.4(321)~~, implementation sentence, as follows:

This rule is intended to implement Iowa Code sections 321.20, 321.23, 321.24, 321.30, 321.31, 321.45 to 321.50, 321.67, 321.515, 321.519, ~~and~~ 322.3 and 633A.4604.

ITEM 4. Amend paragraph **400.14(3)“b”** as follows:

b. When a vehicle is owned by a trust, the title shall be accompanied by a copy of all documents creating or otherwise affecting the trust or by the certification of trust as defined in Iowa Code section 633A.4604.

(1) The certification of trust may be signed by any trustee or the attorney for any trustee.

(2) The title shall be signed by the number of trustees as specified in the trust agreement ~~or the certification of trust as defined in Iowa Code section 633A.4604~~, and the transferor shall provide the department with the document ~~or the certification of trust~~ specifying the required signatories for the trust. ~~If neither the trust nor the certification of trust specifies the required signatories, the title may be signed by any trustee or attorney for the trustee. Each signature on the title shall be followed by the words “as trustee” or “as attorney for the trustee.”~~

(3) If a certification of trust is provided, one of the following shall apply:

1. Any currently acting trustee may sign the title if the certification of trust states that such trustee may act individually.

2. A majority of the trustees must sign the title if the certification of trust states that the trustees must act by majority decision.

3. All currently acting trustees must sign the title if the certification of trust states that the trustees must act by unanimous decision.

(4) A certification of trust must meet the requirements of Iowa Code section 633A.4604, including but not limited to providing the names of all the currently acting trustees. If there are two or more currently acting trustees, the certification of trust must state whether the trustees may act individually, whether the trustees must act by majority decision or whether the trustees must act by unanimous

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decision. If the certification of trust does not meet said requirement, the certification of trust will be considered invalid for the purposes of the transfer.

(5) Each signature on the title shall be followed by the words “as trustee.”

ITEM 5. Amend rule ~~761—400.14(321)~~, implementation sentence, as follows:

This rule is intended to implement Iowa Code sections 321.20, 321.24, 321.45, 321.47, 321.49, ~~and~~ 321.67 and 633A.4604.

ITEM 6. Amend subrule 450.1(1) as follows:

450.1(1) Information and forms for vehicle registration and certificate of title may be obtained from the county treasurer or by mail from the ~~Vehicle and Motor Carrier Services Bureau~~ Vehicle Division, Iowa Department of Transportation, P.O. Box 9278, Des Moines, Iowa 50306-9278; in person at Iowa Department of Transportation, 6310 SE Convenience ~~Boulevard~~ Blvd., Ankeny, Iowa; by telephone at (515)237-3264; or on the department’s website at www.iowadot.gov.

ITEM 7. Amend subrule 450.7(1) as follows:

450.7(1) Prohibition. ~~Pursuant to~~ Except as provided in Iowa Code ~~subsection~~ section 321.438(2), a person shall not operate on the highway a motor vehicle equipped with a front windshield, a side window to the immediate right or left of the driver (front side window) or a sidewing forward of and to the left or right of the driver (front sidewing) which is excessively dark or reflective.

[Filed 2/8/22, effective 4/13/22]

[Published 3/9/22]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 3/9/22.

ARC 6220C

TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rule making related to salvage titles

The Transportation Department hereby amends Chapter 400, “Vehicle Registration and Certificate of Title,” and Chapter 405, “Salvage,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 307.12 and 321.52 as amended by 2021 Iowa Acts, Senate File 230, section 1.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 321.52 as amended by 2021 Iowa Acts, Senate File 230, section 1.

Purpose and Summary

This rule making updates Chapters 400 and 405 to conform these rules with 2021 Iowa Acts, Senate File 230, section 1. This legislation increased the threshold for issuing a salvage title designation if the cost of repair of a wrecked or salvage motor vehicle exceeds 50 percent of the fair market value of the vehicle to instead require the cost of repair to exceed 70 percent of the fair market value. The amendments preserve the “damage over 50 percent” standard in Chapter 405 for wrecked or salvage vehicles that were transferred prior to July 1, 2021, and also clarify the process for when a damage disclosure statement that is separate from the damage disclosure on the assignment of title will be accepted from a transferor or transferee of the vehicle.

The amendments also update parenthetical implementation statutes and remove bureau names.

TRANSPORTATION DEPARTMENT[761](cont'd)

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 1, 2021, as **ARC 6066C**. The public comment period ended on December 21, 2021. The Department received comments from Copart and Insurance Auto Auctions, Inc., and met with them to discuss their concerns.

The amendments published in the Notice of Intended Action provided that the Department would confirm the damage level through the National Motor Vehicle Title Information System (NMVTIS). However, this wording was not entirely accurate because while NMVTIS may provide information about the damage history, it is not the source used to directly determine the vehicle's damage level. Rather, the damage level of the vehicle is confirmed by using data obtained from the entity with direct knowledge of the damage, which can include the insurance provider or motor vehicle repair facility. For this reason, the Department did not adopt paragraph 400.55(3)"c" and revised paragraph 400.55(3)"b" to remove the previous references to using NMVTIS to confirm the damage level of a vehicle and to instead state that the damage level will be confirmed by reaching out to the entity with direct knowledge of the damage. The Department also added language to clarify that prior Iowa titles or foreign titles issued or designated as salvage, rebuilt or flood are not subject to review under paragraph 400.53(3)"b" because further review or confirmation of damage is not necessary for these designated titles.

The reference to 2021 Iowa Acts, Senate File 230, section 1, in Item 1 has been removed because this legislation has been codified since publication of the Notice. Similarly, Item 8 of the Notice has been removed because it amended the chapter implementation sentence for Chapter 405 by adding a reference to 2021 Iowa Acts, Senate File 230, section 1. Now that this legislation has been codified, there is no need to amend the chapter implementation sentence.

Adoption of Rule Making

This rule making was adopted by the Department on February 8, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa beyond any impact anticipated by the legislation.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 761—Chapter 11.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making actions are adopted:

TRANSPORTATION DEPARTMENT[761](cont'd)

ITEM 1. Amend rule 761—400.55(321) as follows:

761—400.55(321) Damage disclosure statement.

400.55(1) and **400.55(2)** No change.

400.55(3) If the transferor completes the damage disclosure on the assignment of title at the time of application for title, a transferor or transferee of a vehicle may submit a separate damage disclosure statement, Form 411108, indicating the damage level of the vehicle and whether the damage level exceeds 70 percent.

a. If the transferor signs both the damage disclosure on the assignment of title and the separate damage disclosure statement, Form 411108, the county treasurer shall accept the separate damage disclosure statement.

b. If the transferee signs the separate damage disclosure statement, Form 411108, the county treasurer shall accept the separate damage disclosure statement only if the separate damage disclosure statement indicates the damage level exceeds 70 percent. If the transferee's statement indicates the damage level is less than 70 percent, and there is no evidence that a prior Iowa title or foreign title was issued or designated as salvage, rebuilt or flood, the department shall review the transaction to confirm the damage level using data obtained from the insurance provider, motor vehicle repair facility, or other entity with direct knowledge of the damage.

This rule is intended to implement Iowa Code ~~section~~ sections 321.52 and 321.69.

ITEM 2. Amend rule **761—405.2(321)**, parenthetical implementation statute, as follows:

761—405.2(321,321H) Definitions.

ITEM 3. Amend subparagraph **405.6(1)“a”(1)** as follows:

(1) Has repair costs exceeding ~~50~~ 70 percent of its fair market value before it became damaged, and

ITEM 4. Amend paragraph **405.6(1)“b”** as follows:

b. Fair market value is the average retail value found in the National Automobile Dealers Association (NADA) Official Used Car Guide. If there is no value available, the ~~motor vehicle and motor carrier services bureau~~ division shall determine the fair market value upon request. The address is: ~~Motor Vehicle and Motor Carrier Services Bureau~~ Division, Iowa Department of Transportation, P.O. Box 9278, Des Moines, Iowa 50306-9278.

ITEM 5. Amend subrule 405.8(5) as follows:

405.8(5) *Designation carried forward.* If a vehicle leaves Iowa with a regular Iowa title and reenters Iowa with a regular foreign title, ~~and if the foreign title does not indicate that the vehicle was rebuilt and if a records check indicates that the vehicle had a designation listed in paragraphs 405.10(1)“a” to “e,”~~ through “f,” that designation shall be carried forward to the Iowa title and registration receipt issued from the foreign title.

ITEM 6. Amend subrule 405.9(1) as follows:

405.9(1) Determine if the vehicle ever had or should have had a “prior salvage,” “rebuilt,” “damage over 50 percent,” “damage over 70 percent,” “flood,” “fire,” “vandalism,” “theft,” “lemon buy-back,” or equivalent designation(s) on a previous title. If such a designation is or should have been on a previous title, the Iowa title to be issued shall contain the designation required by this chapter.

ITEM 7. Amend rule 761—405.10(321) as follows:

761—405.10(321,322G) Designations.

405.10(1) The following designations for a vehicle shall be used on Iowa titles and registrations receipts and shall be carried forward to all subsequent Iowa titles and registration receipts issued for the vehicle, unless otherwise specified:

a. and b. No change.

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c. Damage over 50 percent. The designation shall be used for applicable vehicle transfers occurring prior to July 1, 2021, and shall be carried forward for applicable vehicle transfers occurring prior to July 1, 2021.

e. d. Damage over 50 70 percent. As required by Iowa Code section 321.69, a designation of “damage over 50 70 percent” shall be used when the seller or the buyer indicates on the damage disclosure statement that the person has knowledge that the motor vehicle sustained damage for which the cost of the repair exceeded 50 70 percent of the fair market value before the motor vehicle became damaged. This designation replaces any other designation except “rebuilt.”

d. e. Flood, fire, vandalism or theft. The most recent designation applies. Unless superseded by a “REBUILT-IA,” “rebuilt,” or “damage over 50 percent” or “damage over 70 percent” designation, a designation of “flood,” “fire,” “vandalism” or “theft” shall be used as specified in subrule 405.8(6) and supersedes a “lemon buy-back” designation.

e. f. Lemon buy-back. Unless superseded by a “REBUILT-IA,” “rebuilt,” “damage over 50 percent,” “damage over 70 percent,” “flood,” “fire,” “vandalism” or “theft” designation, a designation of “lemon buy-back” shall be used:

(1) and (2) No change.

405.10(2) No change.

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ARC 6218C

TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rule making related to persons with disabilities parking permits

The Transportation Department hereby amends Chapter 411, “Persons with Disabilities Parking Permits,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 307.12 and 321L.8.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 321L.

Purpose and Summary

This rule making relates to persons with disabilities (PWD) parking permits and aligns with existing legal authority and Department practice and eliminates outdated or irrelevant requirements or options.

The rule defining a medical provider’s statement of disability is amended to align with Iowa Code section 321L.2, which requires a medical provider’s statement of disability to be on the medical provider’s stationery. The amendments clarify that stationery can include any communication, electronic or otherwise, that the Department can reasonably identify as originating from the applicant’s medical provider, which aligns with current Department practice and streamlines PWD parking permit application processing.

The rule outlining the requirements for a PWD parking sticker is amended to clarify that a PWD sticker is not intended to be placed on a PWD license plate because placing a PWD sticker on a PWD license plate would be redundant.

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The amendments to the PWD parking permit application requirements align with Iowa Code requirements. These amendments allow the Department to accept a PWD parking permit application without the social security number, driver's license number, or nonoperator's identification card number of a person with a disability if the application is made on behalf of a person less than one year old. They also require a PWD parking permit application submitted by an organization to include both the name of the organization and the name of the authorized representative of the organization on the application, and they clarify that a PWD parking permit that is no longer being used may be returned to the Department, any driver's license service center, or any law enforcement office.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 15, 2021, as **ARC 6075C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department on February 8, 2022.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 761—Chapter 11.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 13, 2022.

The following rule-making actions are adopted:

ITEM 1. Amend rule 761—411.1(321L) as follows:

761—411.1(321L) Information and applications. Information and applications regarding persons with disabilities parking permits are available, electronically or otherwise, by mail from the ~~Office of Vehicle and Motor Carrier Services~~ Vehicle Division, Iowa Department of Transportation, P.O. Box 9278, Des Moines, Iowa 50306-9278; in person at 6310 SE Convenience Blvd., Ankeny, Iowa; by telephone at (515)237-3110; by facsimile at (515)237-3056; by email at vscusto@iowadot.us; or on the department's ~~Web site~~ website at www.iowadot.gov.

ITEM 2. Amend subrule 411.2(2) as follows:

411.2(2) As used in this chapter, ~~unless the context otherwise requires:~~

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“Child” means the same as defined in 761—subrule 401.20(2).

“Health care provider” means a physician licensed under Iowa Code chapter 148 or 149, a physician assistant licensed under Iowa Code chapter 148C, an advanced registered nurse practitioner licensed under Iowa Code chapter 152, or a chiropractor licensed under Iowa Code chapter 151, or a physician, physician assistant, nurse practitioner, or chiropractor licensed to practice in a contiguous state as set forth in Iowa Code section 321L.2(1).

“Nonexpiring removable windshield placard” means a removable windshield placard issued on or before December 31, 2016, to a person with a permanent disability.

“Organization” means an applicant that is a corporation, partnership, sole proprietorship, business trust, estate, trust, limited liability company, association, joint venture, government, governmental subdivision, agency, instrumentality, public corporation, or any other legal or commercial entity lawfully doing business in the state of Iowa that has a program for transporting persons with disabilities or elderly persons.

“Permanent disability” means an applicant is a person with a disability as defined in Iowa Code section 321L.1(8) and the disability will continue indefinitely without resolution and is reasonably expected to last the applicant’s lifetime.

“Standard removable windshield placard” means a removable windshield placard issued on or after January 1, 2017, to a person with a permanent disability.

“Statement of disability” means a communication, electronic or otherwise, originating from the applicant’s health care provider, which attests that the applicant is a person with a disability as defined in Iowa Code section 321L.1(8). The statement must state the nature of the applicant’s disability and indicate whether the applicant’s disability is “temporary” or “permanent.” If the disability is temporary, the statement shall state the period of time during which the applicant is expected to be disabled and the period of time for which the permit should be issued, not to exceed six months. The statement must ~~reasonably identify, on or within its contents, that it originated from the applicant’s health care provider~~ be written on the health care provider’s stationery.

“Stationery” means any communication, electronic or otherwise, from which the department may ~~reasonably identify, on or within its contents, that it originated from the applicant’s health care provider.~~

“Temporary disability” means an applicant is a person with a disability as defined in Iowa Code section 321L.1(8) and the disability is not permanent and is reasonably expected to last for only a limited period of time.

“Temporary removable windshield placard” means a removable windshield placard issued to a person with a temporary disability.

ITEM 3. Amend rule 761—411.3(321L) as follows:

761—411.3(321L) Application for persons with disabilities parking permit.

411.3(1) No change.

411.3(2) Application requirements. An application shall include the applicant’s full legal name, address, date of birth, social security number or Iowa driver’s license number or Iowa nonoperator’s identification number, and a statement of disability from the applicant’s health care provider. However, if the application is made on behalf of a person who is less than one year old, ~~the application does not have pursuant to Iowa Code section 321L.2, the department may accept the application without the requirement~~ to include a social security number, Iowa driver’s license number, or nonoperator’s identification card number for the person. In lieu of a statement of disability from a health care provider, an applicant who is certified by the U.S. Department of Veterans Affairs as having a permanent disability may submit both of the following with an otherwise completed persons with disabilities parking permit application:

a. and *b.* No change.

411.3(3) Availability of application. Applications may be obtained from any of the following:

- a.* The department’s ~~Web site~~ website as set forth in rule 761—411.1(321L).
- b.* The department’s ~~office of vehicle and motor carrier services~~ motor vehicle division.
- c.* A driver’s license ~~station~~ service center.

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d. No change.

e. ~~The Office of Persons with Disabilities, Iowa Department of Human Rights, Lucas State Office Building, 321 E. 12th Street, Des Moines, Iowa 50319.~~

411.3(4) Application submission. Completed applications shall be submitted, ~~electronically or otherwise, to~~ in any of the following ways:

a. ~~The department's office of vehicle and motor carrier services~~ By mail to the Motor Vehicle Division, Iowa Department of Transportation, P.O. Box 9278, Des Moines, Iowa 50306-9278; in person at 6310 SE Convenience Blvd., Ankeny, Iowa; by facsimile at (515)237-3056; or by email at vscusto@iowadot.us.

b. A In person at a driver's license station service center.

c. A To the county treasurer's office.

411.3(5) Application submitted by an organization. An application submitted by an organization shall include the name, ~~of the organization; the name of its authorized representative; the mailing address, telephone number, and signature of its authorized representative;~~ and if required to obtain one, the organization's federal employer identification number or federal tax identification number.

ITEM 4. Amend subrule 411.5(1) as follows:

411.5(1) Eligibility. A persons with disabilities special registration plate parking sticker may be issued to a person with a permanent disability who owns a motor vehicle for which the person has been issued disabled veteran plates under Iowa Code section 321.105 or registration plates under Iowa Code section 321.34. A special registration plate parking sticker shall not be issued to a person with a temporary disability or to an organization. In no event shall a special registration plate parking sticker be placed on persons with disabilities special plates issued under Iowa Code section 321.34(14).

ITEM 5. Amend rule 761—411.7(321L) as follows:

761—411.7(321L) Return of persons with disabilities parking permit. A persons with disabilities parking permit issued pursuant to this chapter and Iowa Code section 321L.2 shall be returned to the department, to a driver's license service center, or to any law enforcement office within ten days of an occurrence of any of the events set forth in Iowa Code section 321L.3(1) and in the manner prescribed in Iowa Code section 321L.3(3).

ITEM 6. Amend subrule 411.9(2) as follows:

411.9(2) The request shall be submitted in writing, to the director of the ~~office of vehicle and motor carrier services~~ vehicle division, at the address listed in rule 761—411.1(321L), and may be submitted ~~electronically by facsimile, e-mail~~ email or other means prescribed by the department. To be timely, the request must be submitted within ten days of the receipt of notice of revocation.

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